

Digitized by the Internet Archive  
in 2022 with funding from  
University of Toronto

<https://archive.org/details/31761114675275>





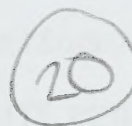






CAZON  
XC14  
- 578

Government  
Publications



SP-1

SP-1

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 20 October 2014



# Journal des débats (Hansard)

Lundi 20 octobre 2014

**Standing Committee on  
Social Policy**

Organization

**Comité permanent de  
la politique sociale**

Organisation

Chair: Peter Tabuns  
Clerk: Valerie Quioc Lim

Président : Peter Tabuns  
Greffière : Valerie Quioc Lim



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

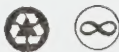
Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.





## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Monday 20 October 2014

Lundi 20 octobre 2014

*The committee met at 1403 in committee room 1.*

## ELECTION OF CHAIR

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Good afternoon, honourable members. It is my duty to call upon you to elect a Chair. Are there any nominations? Madame Gélinas.

**M<sup>me</sup> France Gélinas:** I would like to nominate MPP Peter Tabuns.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Mr. Tabuns, do you accept the nomination?

**Mr. Peter Tabuns:** Yes.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Are there any further nominations? There being no further nominations, I declare nominations closed and Mr. Tabuns elected Chair of the committee. Would you please take the chair?

**The Chair (Mr. Peter Tabuns):** That was the easiest election I've had in years.

**Mrs. Kathryn McGarry:** Quickest, too.

**The Chair (Mr. Peter Tabuns):** Yes, actually. Thank you all for your confidence.

## ELECTION OF VICE-CHAIR

**The Chair (Mr. Peter Tabuns):** It is my duty to entertain a motion for Vice-Chair. Are there any motions? Ms. Elliott.

**Ms. Christine Elliott:** I move that M<sup>me</sup> Gélinas be appointed as Vice-Chair of the committee.

**The Chair (Mr. Peter Tabuns):** Are there any other nominations?

A motion has been moved by Ms. Elliott. Is there any debate? There being none, are members ready to vote? Shall the motion carry? Carried.

## APPOINTMENT OF SUBCOMMITTEE

**The Chair (Mr. Peter Tabuns):** Now we move on to the appointment of the subcommittee on committee business. Is there a motion?

**Ms. Christine Elliott:** I have one Mr. Chair.

**The Chair (Mr. Peter Tabuns):** Ms. Elliott.

**Ms. Christine Elliott:** I move that a subcommittee on committee business be appointed to meet from time to time at the call of the Chair, or at the request of any member thereof, to consider and report to the committee on the business of the committee;

That the presence of all members of the subcommittee is necessary to constitute a meeting; and

That the subcommittee be composed of the following members: the Chair as Chair, M<sup>me</sup> Lalonde, Mrs. Martow and M<sup>me</sup> Gélinas; and

That substitution be permitted on the subcommittee.

**The Chair (Mr. Peter Tabuns):** A motion has been moved by Ms. Elliott. Is there any debate? Are members ready to vote?

Shall the motion carry? Carried. Thank you. The motion is carried.

## BRIEFING

**The Chair (Mr. Peter Tabuns):** Now we have a short briefing by the Clerk and research officer. You'll start?

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Thank you, Chair.

I will just speak very briefly about the committee and my role, and then turn it over to Elaine Campbell, the committee's research officer. I am Valerie Quioc Lim, the Clerk of this committee.

The Standing Committee on Social Policy is referred to as a policy field committee and is one of three such committees in this Legislature. The House may refer bills or a matter for the committee's consideration. In addition, the committee may conduct self-directed studies in accordance with the standing orders.

A resource binder with detailed information on the procedural and administrative practices of the committee was previously sent to you. My contact information is on the last page, so please contact me if you have any questions or require any assistance. As committee Clerk, my role is to provide impartial and confidential advice on procedure and to provide administrative support to all committee members.

You will note, if you look around, that our committee meetings are regularly staffed by the Clerk, which is myself; a research officer; and we have a Hansard reporter and a broadcast and recording officer as well. When the committee conducts clause-by-clause consideration of the bill, we will have legislative counsel present instead of the research officer.

Again, please contact me if you require any assistance or have any questions, and I look forward to working with all of you.

Now I pass the time to Elaine.



**Ms. Elaine Campbell:** For the benefit of the new members here, my name is Elaine Campbell. I'm with the legislative research service. We have staff at all of the committees. We attend all committee and subcommittee meetings. We respond to requests from the subcommittee for research before a set of hearings and from the committee during hearings. When a committee is working on a bill, we often prepare what's called a summary of recommendations that the members can use when they're doing their clause-by-clause discussions. We also draft reports with direction from the committee. Finally, if there's an issue that comes before the committee that is in an area of expertise of someone else in our office, that person will be sitting in this chair.

**The Chair (Mr. Peter Tabuns):** Any questions? Madame Gélinas, go ahead.

**M<sup>me</sup> France Gélinas:** We will miss the record for the shortest meeting. When do we get to ask questions, such as: Do we finish the LHINs review? Let's start with that one.

**The Chair (Mr. Peter Tabuns):** I would say that I have to consult with the Clerk on that and likely the

House leaders. We could probably discuss that in the subcommittee as well.

**M<sup>me</sup> France Gélinas:** Ah, okay.

**The Chair (Mr. Peter Tabuns):** Knowing that you want to ask those questions, I will consult with the Clerk and House leaders on those matters and come back to the committee.

**Mrs. Gila Martow:** May I ask a question? When does the subcommittee meet?

**The Chair (Mr. Peter Tabuns):** It doesn't have a regular meeting. I can call it and you can request it from me.

**Mrs. Gila Martow:** Okay.

**M<sup>me</sup> France Gélinas:** And when do House leaders meet now? Do we know?

**The Chair (Mr. Peter Tabuns):** I don't know exactly when the House leaders will be meeting. As previously, I assume they'll be meeting once a week, normally Thursdays.

**M<sup>me</sup> France Gélinas:** Okay.

**The Chair (Mr. Peter Tabuns):** All right? The meeting stands adjourned.

*The committee adjourned at 1409.*











## CONTENTS

Monday 20 October 2014

Election of Chair.....	SP-1
Election of Vice-Chair.....	SP-1
Appointment of subcommittee .....	SP-1
Briefing.....	SP-1

### STANDING COMMITTEE ON SOCIAL POLICY

#### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Clerk / Greffière**

Ms. Valerie Quioc Lim

#### **Staff / Personnel**

Ms. Elaine Campbell, research officer,  
Research Services

AZON  
XC14  
-578



SP-2

SP-2

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 17 November 2014

# Journal des débats (Hansard)

Lundi 17 novembre 2014



## Standing Committee on Social Policy

Child Care Modernization  
Act, 2014

## Comité permanent de la politique sociale

Loi de 2014 sur la modernisation  
des services de garde d'enfants



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Monday 17 November 2014

Lundi 17 novembre 2014

*The committee met at 1400 in room 151.*CHILD CARE MODERNIZATION  
ACT, 2014LOI DE 2014 SUR LA MODERNISATION  
DES SERVICES DE GARDE D'ENFANTS

Consideration of Bill 10, An Act to enact the Child Care and Early Years Act, 2014, to repeal the Day Nurseries Act, to amend the Early Childhood Educators Act, 2007, the Education Act and the Ministry of Training, Colleges and Universities Act and to make consequential and related amendments to other Acts / Projet de loi 10, Loi édictant la Loi de 2014 sur la garde d'enfants et la petite enfance, abrogeant la Loi sur les garderies, modifiant la Loi de 2007 sur les éducatrices et les éducateurs de la petite enfance, la Loi sur l'éducation et la Loi sur le ministère de la Formation et des Collèges et Universités et apportant des modifications corrélatives et connexes à d'autres lois.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Bonjour, tout le monde. Good afternoon, everyone. My name is France Gélinas. Although I'm the Vice-Chair for this committee, I have the pleasure of being your Chair today because our official Chair, Mr. Peter Tabuns, is the critic for my party.

The Standing Committee on Social Policy will now come to order. We are here for public hearings on Bill 10, An Act to enact the Child Care and Early Years Act, 2014, to repeal the Day Nurseries Act, to amend the Early Childhood Educators Act, 2007, the Education Act and the Ministry of Training, Colleges and Universities Act and to make consequential and related amendments to other Acts.

Members of the committee, you should have received a package on your desk, which is submissions that we have received to date regarding this bill. In a few seconds I will invite the first deputants to come. Each of you will have up to five minutes for your presentation, and that will be followed by up to nine minutes for questions from committee members, which will be divided equally between the three parties. We start with the PCs, the official opposition. They will be followed by the NDP for the first time, followed by the Liberals, and then we go in rotation. Every time it will change who starts.

Bien entendu, vous êtes toujours les bienvenus de faire vos commentaires en français. Il y a de l'interprétation

simultanée qui est disponible dans les deux langues, de l'anglais vers le français et du français vers l'anglais.

Donc, sans plus tarder, I would like to invite our first deputant to come up. You will have—

**Ms. Lisa MacLeod:** Chair, just a point of order. Thanks very much. I appreciate so many people coming to this very important series of presentations on a bill that I believe the public has been shut out of.

I understand that we are, right now, in the Amethyst Room, and that this can be televised. I'd like an assurance from the Chair and from the Clerk that this is being webcast in order that parents and child care providers across Ontario are able to access these public hearings.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** That was a request that had been made to the committee, and we were able to grant this request. This committee does not usually meet in this room. The reason we are in this room is so that we can have interpretation. We have television as well as the webcast, yes.

**Ms. Lisa MacLeod:** Thank you, Chair.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You're welcome.

Everybody ready? You'll have to forgive me for the French pronunciation of all the names. I will try to anglicize them as much as I can, but it's usually even worse.

MARIA MONTESSORI  
SCHOOL PARENT GROUP

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I will ask the Maria Montessori School Parent Group and, I believe, the vice-chair, Iliana Arapis, to come. That's probably not how you pronounce your name.

**Ms. Iliana Arapis:** You were very close. It's Iliana.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You have five minutes.

**Ms. Iliana Arapis:** Thank you. Good afternoon. My name is Iliana Arapis and I am the vice-chair of the parent group at the Maria Montessori School, which is accredited by the Association Montessori Internationale, or AMI. The school is located in Don Valley West in Toronto.

As parents, we're truly encouraged by the spirit and intent of Bill 10 to prioritize high-quality child care and early years programs for our children. On behalf of my fellow Montessori parents, many of whom are here in the gallery today, I extend my sincerest thanks to the com-



mittee for providing our parent group with the opportunity to speak with you.

Your committee is undertaking a monumental task: to strengthen early years programs in Ontario. But we are concerned that Montessori education, which is already fulfilling that vision, stands to lose in this legislation. We are requesting that Montessori education be protected, preserved and recognized within Bill 10, or, ideally, exempted from Bill 10.

Within Bill 10, this could be accomplished by adding a provision that any inconsistency between AMI Montessori pedagogy and this bill or its regulations be resolved in favour of the AMI Montessori pedagogy. As parents, we are comforted by the high standards and quality assurance set out by the AMI as they are the globally recognized training and accrediting body, and a member of the United Nations and UNESCO.

Underpinning our request is the right of all parents to choose the child care and education options that best serve our children's needs. Montessori provides one of many numerous and viable alternative pedagogies. As Bill 10 currently reads, the integrity of Montessori programming would be at risk, and therefore true parental choice eroded.

Paragraph 3 of Bill 10's preamble reads, "Research has indicated that the learning and development that occurs during a child's early years is critical. It can have a major bearing on a person's later achievements in school and in the workplace, and on overall health and well-being throughout a person's lifetime." Well, this resonates with Montessori parents because it was Dr. Maria Montessori and her predecessors who discovered this through evidence-based research and observation conducted over 100 years ago, research that is still relevant and current today. As parents, we're concerned that Bill 10 would have unintended consequences on Montessori families who have chosen this universally respected education for our children.

Montessori is not daycare. It is education that optimizes the development of children within their first plane of development, from birth to the age of six years. We worry that Montessori may be misplaced under the category of "daycare." At the Maria Montessori School, our children experience an enriching curriculum in a nurturing and stimulating environment that activates their senses and fosters their physical, intellectual, emotional and social development. This occurs because of six key factors that are important to Montessori parents, but not acknowledged in Bill 10:

- (1) The emphasis on practical life, language, culture, geography and mathematics;
- (2) A large mixed-stage environment that includes children as young as two and a half and as old as six;
- (3) Classrooms that are prepared environments;
- (4) An uninterrupted three-hour work cycle;
- (5) A full spectrum of intriguing work materials; and
- (6) Teachers and assistants that are AMI-trained and certified.

These must all work in concert, together, to set the foundation for high-quality Montessori programming, and therefore make Montessori deserving of its own place, exempt from Bill 10.

In Montessori our children are unique individuals, free to learn in accordance with their own learning style, at their own pace in a children's community. As a result, they are practical, confident, intrinsically motivated problem-solvers. They develop their independence early on and have a real thirst for learning. Parents choose Montessori because it takes into consideration the children's needs and tendencies and not the convenience of parents. Montessorians have helped to inform how we parent and how we prepare our children for life. Our kids didn't come with a manual, and we work at becoming the parents our children need. Every day, we see the benefits of Montessori to our kids.

*Interruption.*

**Ms. Iliana Arapis:** To conclude, as we applaud your efforts and, with heartfelt thanks, encourage the committee to maintain your deep concern for our children, we do ask that Montessori pedagogy be protected, preserved and recognized within Bill 10 or, ideally, exempted from Bill 10. But if within Bill 10—

**The Vice-Chair (M<sup>me</sup> France G  linas):** You have exhausted your five minutes. I am sorry; this is a very unpleasant part of my job. I feel like that child a little bit right now, but I can't leave. You're welcome to stay, ma'am.

**Ms. Iliana Arapis:** Thank you so much.

**The Vice-Chair (M<sup>me</sup> France G  linas):** We will ask the PCs to start with the questions.

**Mr. Garfield Dunlop:** I'll ask a very quick question.

First of all, I think it's really nice that babies are here today. I think that's really nice, and that really adds to this meeting. It probably brings a lot to the table—I could say other things as well.

Can you tell me quickly: How many children in Ontario do you think would be under the Montessori schools? The total number of children under the Montessori schools in what we call daycare—and not babies.

**Ms. Iliana Arapis:** That's an excellent question. It's my understanding that there are over 150 schools in the province of Ontario. That would likely be equivalent to several thousand parents and families.

**Mr. Garfield Dunlop:** Okay. Go ahead.

**Ms. Lisa MacLeod:** Thanks, Iliana. I really appreciate your coming here today. What you spoke about today, the Montessori education and the choice parents make, really resonated with me. I'm very happy that you brought the issue of parental choice to the floor as our first speaker today, because I am concerned that Bill 10 will erode parental choice, just as you had said.

1410

I find it very interesting that, as a Montessori—I visited a Montessori as a result of this in Kitchener just last week, Sunshine Montessori. You're looking for an exemption, or at least some changes in this legislation, and I appreciate that. I'm just wondering if you could

give us a little bit more about what you've observed in this legislation that would inhibit you from delivering a successful education model to the students and to the parents who choose to send their children to you.

**Ms. Iliana Arapis:** Thank you for that comment. Within a Montessori environment—I mentioned six key factors in my deposition. One of those key factors is a large, mixed-age environment, with children as young as two and a half and as old as six. This provides for a very rich and dynamic learning environment. The young children have an opportunity every day to learn from their older peers—and for the older peers to develop their leadership skills and their empathy skills in teaching the younger ones within the classroom.

It's not just about that one component. For Montessori to really flourish and be high-fidelity Montessori, you need all six of those factors to work in concert. So it's not just about large class sizes with a mixed-age group. It's about an AMI-trained teacher, an assistant in the classroom who can help manage and navigate the class, as well as a full spectrum of really beautiful and aesthetically pleasing and useful and relevant work materials that the children engage in. What we are concerned about as Montessori parents is that the opportunities for our children to be socialized within a large environment may be eroded—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Unfortunately, I have to cut you off.

It's to the NDP: Mr. Tabuns.

**Mr. Garfield Dunlop:** Chair, could we have a 30-second warning there for everyone, so they could know when to wind down?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Yes. Will do.

**Mr. Garfield Dunlop:** Okay. Thank you.

**Mr. Peter Tabuns:** Thank you very much, and welcome here today. If you could continue—I'd like to know what would change in the Montessori class if this bill was brought into effect as written.

**Ms. Iliana Arapis:** A number of things would change. Right now, the legislation does not allow for a three-hour work cycle for children. This is very critical. Children actually have an immense capacity to concentrate for long periods of time and to repeat and repeat and repeat. You may know this from many of your own children. If they are able to have that three-hour work cycle, they are able to develop their critical thinking skills and they can stay focused on task for as long a period of time as they feel they need to in order to satisfy that innate drive for them to complete that task.

**Mr. Peter Tabuns:** Which clause or section in the act prohibits that?

**Ms. Iliana Arapis:** Our concern lies in schedule 1, part I, "Purposes and Interpretation," and sections 6 and 8 as defined.

**Mr. Peter Tabuns:** Okay. So the first problem—and I want to look at those sections—is that it doesn't allow for a full three-hour cycle to go through. What are the other things that would be changed as a result of this legislation?

**Ms. Iliana Arapis:** The large, mixed-age environment. In other words, children under the age of 3.8 would not be able to benefit from their Montessori pedagogy and learning.

**Mr. Peter Tabuns:** And what section specifically addresses that?

**Ms. Iliana Arapis:** I'm sorry; I don't have that in front of me at the moment.

**Mr. Peter Tabuns:** If you could get it back to me, because, as we're going through this, it helps us if we can go to specific sections that are problematic for you.

**Ms. Iliana Arapis:** I would be happy to share that with you afterwards.

**Mr. Peter Tabuns:** That would be great. If I have any time left—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Forty seconds.

**Mr. Peter Tabuns:** How is Montessori regulated and monitored from the outside?

**Ms. Iliana Arapis:** My child is in an AMI-accredited school, and we are very happy with this because the AMI is a globally recognized training and accrediting body. So I know that the highest standards of Montessori are being maintained in that environment.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds left.

**Ms. Iliana Arapis:** I have an opportunity as a parent to observe at any time to actually see these factors and elements in action, to see Montessori in action.

**Mr. Peter Tabuns:** So in general, it's the parents who are going in and making sure that things are running the way they should.

**Ms. Iliana Arapis:** Well, AMI, as the accrediting body for the school, does conduct their reviews of the school on a regular basis.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We'll see on the Liberal side—go ahead.

**Mrs. Kathryn McGarry:** Thank you very much for your eloquent discussion today. We really appreciate hearing a lot of the details there.

I just wanted to know: Did you know that *How Does Learning Happen?*, our pedagogy document for early years, has been influenced by the Montessori pedagogy—

**Ms. Iliana Arapis:** Yes, I was aware of that.

**Mrs. Kathryn McGarry:** —good—and that we actually made some changes to the bill when it was first introduced, based on Montessori feedback, to ensure that *How Does Learning Happen?* does not compete with the Montessori pedagogy?

*Interjection.*

**Mrs. Kathryn McGarry:** And that's very helpful. I know we've had a very good relationship with the ministry and the Canadian Council of Montessori Administrators, so as I said, I'm very happy to hear about that.

Are there any other issues that are unique to AMI Montessori schools that you'd like to address?

**Ms. Iliana Arapis:** For me, as a parent with a child in an AMI school, I have had the opportunity to participate



in many of the education sessions provided by the AMI. Because we live in Ontario—we are a multicultural society—we are open to a global and international type of pedagogy that I think will serve our children very, very well. So I'm very happy that my child is in an AMI-accredited school because I think it provides him with the broadest opportunity to enhance himself, improve his skills, and grow and learn and develop as a fantastic human being. For me, the AMI provides the highest possible quality assurance in the programming for my child.

**Mrs. Kathryn McGarry:** Thank you. What qualifications do you think a daycare program would need if they were to be exempt from the ministry's requirements? What would that look like?

**Ms. Iliana Arapis:** I am not sure, to be perfectly honest with you, because I'm not familiar with daycare settings. I'm not qualified to respond to that.

**Mrs. Kathryn McGarry:** As a comparative with Montessori—and I can appreciate that.

I just really wanted to ask this last thing: Did you know that the ministry does not plan to change the staff and child ratios that are currently in place if Bill 10 is passed?

**Ms. Iliana Arapis:** Can you elaborate on that, please?

**Mrs. Kathryn McGarry:** Well, that the mixing of children between the ages of three and five would still be permitted.

**Ms. Iliana Arapis:** And two and a half?

**Mrs. Kathryn McGarry:** Well, between the ages of three and five. Were you aware of that part of it?

**Ms. Iliana Arapis:** I'm not. So further, I would advocate that Montessori needs to exist and be protected in its own right, exempt from Bill 10.

**Mrs. Kathryn McGarry:** Okay. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You have a few seconds. Somebody else from the Liberal side? Mr. Crack—

**Mr. Grant Crack:** How much is a few seconds, Madam Chair?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Oh, you don't. Sorry. It was really few.

I thank you so much.

#### ASSOCIATION MONTESSORI INTERNATIONALE

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now invite Sandra Girlato, Association Montessori Internationale. You have five minutes to do a presentation.

**Ms. Sandra Girlato:** Thank you to the members for providing this opportunity to address the standing committee. My name is Sandra Girlato, and I'm currently the president of the Association Montessori Internationale in Canada, or AMI, as well the director of training at the Foundation for Montessori Education in Toronto. I hold a bachelor of science degree and a master's degree in education. I also hold an AMI teaching diploma as well as an AMI teacher training diploma at the primary level. I have served as an adjunct professor in education and

research at Loyola College. I'm a past member of the AMI scientific pedagogical, materials and translation committees. I've also had the very rare benefit of being trained by Renilde Montessori, Dr. Montessori's youngest granddaughter.

Today I'm representing the AMI in Canada. AMI's mission is to support the natural development of the human being, from birth to maturity. This is accomplished through international AMI teacher training programs, global school recognition and worldwide professional development for Montessori parents and educators.

We do support the intent of Bill 10. However, we're concerned that the bill, as written, would not be reflective of the holistic view of child development inherent in an AMI Montessori approach.

AMI has its mandate to work in conjunction with other organizations and governments all over the world to ensure the highest standards for the education of our children. AMI is a member of UNESCO and has a consultative status as an NGO with the UN. It's the only one.

1420

In terms of Bill 10, we know that we can find a common-ground solution that will both respect the principles of AMI Montessori pedagogy and enable the government to provide access to safe and effective programs for children in Ontario. Our concern lies in schedule 1, part I, "Purposes and Interpretation," sections 6 and 8 as defined. As currently written, we're concerned that impeding the ability for AMI Montessori to deliver its programs will be an unintended consequence, and therefore we urge this committee to provide clarity on these exemptions and ask that AMI accreditation be formally recognized in the language of this bill. In light of this, please allow me to provide some clarifying information.

As the name "Montessori" itself is in the public domain and does not carry a copyright, Dr. Maria Montessori in 1929 created the organization AMI to safeguard the integrity of her work and to ensure that quality standards and the researched scientific characteristics of the method, the materials and the preparation of teachers would be protected so as to provide this very unique education to children in response to their human development. AMI is recognized internationally as an authoritative voice regarding the unique nature of childhood, natural human development and the rights of the child. AMI is identified and sought after nationally and internationally as the custodian and cultivator of Montessori philosophy and pedagogy.

In Ontario, Dr. Maria Montessori's son, Mario, inaugurated the first AMI teacher training centre in Canada in 1971. Toronto's strong connection to the Montessori family was maintained by Renilde Montessori in founding the Foundation for Montessori Education in 1989. To this end, we have been working on behalf of the child in Ontario, uninterrupted, for 43 years.

Today, you've been provided with a package of information which contains AMI's annual report; also, a list detailing AMI's initiatives, programs and quality assurance; and a bound copy of the AMI curriculum for chil-

dren from birth to 18—and that's a lesser version, what you've got in front of you, a very reduced one. We trust that this information will provide you with some insight into the scope of AMI's work.

Adults who graduate from AMI courses are not early childhood educators, but are, in fact, teachers. They enter AMI teacher training programs having already been conferred undergraduate degrees or college diplomas. The work of the AMI teacher is to support and optimize the natural development of the human being within an educative environment.

The strong and respected presence of AMI in Toronto has gone far beyond our provincial borders, right across Canada. Considering Toronto's very unique relationship to the Montessori family and to current scientists working on behalf of the child, like neurologists Adele Diamond and Stephen Hughes, it would be tragic if AMI-quality-assured schools and children could not benefit from this scientifically vetted, time-honoured method of education—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds left.

**Ms. Sandra Girlato:** —if it were to have its practices altered by legislation. As a result, Ontario would be the first province within a Commonwealth nation to set that history, while other Commonwealth countries have moved to accept AMI curriculum as a national teaching curriculum, with Australia leading the way. You'll find a copy of that letter in our package.

In closing, I'd like to reiterate that we are concerned that impeding the ability for Montessori to deliver its programs will be an unintended consequence, I believe, of Bill 10.

Thank you for your kind attention.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Five minutes exactly. The rotation starts with Mr. Tabuns.

**Mr. Peter Tabuns:** Ms. Girlato, thank you very much for the presentation. I appreciate it.

I'm trying to understand precisely what it is that will inhibit Montessori. I'm not arguing that it won't, just that when we work through clause-by-clause, if I'm going to address a particular section, I need to know what the section is.

You referenced schedule 1, part I, "Purposes and Interpretation." I didn't see what it was that would actually provide a problem.

**Ms. Sandra Girlato:** I think one of the main things that we're concerned about is being regarded as child care and falling under the Day Nurseries Act. That would impede us from providing an educative environment. There are many schools in Ontario right now that fall under the Day Nurseries Act and are Montessori schools; there are other schools that fall under the Ministry of Education and are not. We want to be sure that we're regarded as a place that offers education.

From my talk, you probably heard the fact that our teachers—we graduate teachers. The AMI program itself is a full-time program, from September till the end of May. We are 9 to 5 every day. We're recognized as a

private career college. Our students do a certain amount of hours of practice teaching and placement and all of those things. They must come to us already with an undergraduate degree or a college diploma, in fact, and two years' work experience associated with that college diploma. In other parts of the world, the AMI teaching credential is regarded as a master's level—in the United States, at the University of Vic in Spain—we're leading edge. Prague, for example, right now has recognized AMI in its holistic manner. Australia has done that. There are thousands of schools in the United States where Montessori AMI is regarded as the main teaching credential necessary in that state. Our sister office in BC is leading the charge in terms of having AMI schools recognized as teaching schools versus child care places. That's what we're concerned about.

**Mr. Peter Tabuns:** I'm going to ask for something that I'd like you to submit in writing later.

**Ms. Sandra Girlato:** Absolutely.

**Mr. Peter Tabuns:** If you could detail the wording in the act in the different sections that are particularly problematic for Montessori, I think that would help all of us on this committee. I know you've referred to the section—if I'm hearing you right, you're saying that if it goes through as written—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mr. Peter Tabuns:** —that part of your operation would be considered a daycare as opposed to a school.

**Ms. Sandra Girlato:** Right.

**Mr. Peter Tabuns:** I may misunderstand this, but I would think that you would still be a school, you would just operate in part under this regulation.

**Ms. Sandra Girlato:** I'd be happy to do that, because our approach is very holistic. So we can't take out elements and put in elements that would affect the whole program. We're a program that's based from birth right up to age 18, and in Europe it's right up to age 24—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Sorry.

**Ms. Sandra Girlato:** —so I'd be happy to provide that information.

**Mr. Peter Tabuns:** That would be great. Thank you very much.

**Ms. Sandra Girlato:** Thank you.

**Vice-Chair (M<sup>me</sup> France Gélinas):** To the Liberals: Mr. Crack.

**Mr. Grant Crack:** Thank you very much for coming. The previous presenter, Ms. Arapis, had mentioned unintended consequences. Could you elaborate on exactly what you think—I mean, you're supportive of Bill 10, yet there's this assumption that there are unintended consequences. How does that affect your particular situation?

**Ms. Sandra Girlato:** I want to say fervently that the fact that Bill 10 was prioritized in response to what's happened in terms of the deaths of the children in the illegal home daycare settings—so this is a really worthy and critical endeavour. I think what we would like to be sure of is that we're not caught in something that doesn't apply to us. We want to be sure that we're recognized on



the value of what we provide and that our standards are looked at globally. We have a scientific pedagogic committee that reviews what we offer at the teacher-training level for the adults and goes into the classrooms with the children and vets what goes on with the children. We work very, very closely with neurologists, neuroscientists, pediatricians, psychologists. We gather information from all over the world to ensure that what we provide is education that's safe, accessible and benefits children. So we want to be sure that we're seen as that.

**Mr. Grant Crack:** Okay. Thank you. You also indicated that you're concerned that the bill, as written, is not going to be reflective of the holistic view of child development in the Montessori approach. Could you elaborate for me on how that would—

**Ms. Sandra Giralto:** Again, we have a very holistic view of the child. For example, when we think of the groupings of children, and we have three- to six-year-olds together—two-and-a-half-year-olds to six-year-olds together—that those are children attending in the same classroom for three years. We also have a certain set of materials that are required. We have to have an AMI-trained teacher in the classroom. We have to have certain time parameters—a three-hour work period. I think looking at any part of that and removing it really dilutes or—in fact, it is no longer a Montessori program as Dr. Montessori envisioned. One of the things, a call to charge for her, was that we don't do what she wanted us to do, but we keep doing what the child needs for us to do. That's why a scientific pedagogical committee, with members from every single continent except Antarctica—they sit on a board much like this, meet two to three times a year, Skype each other throughout the year to make sure—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Sandra Giralto:** —that we are on the cutting edge of what our children need right from birth—in utero, even—right up to ages 18 to 24.

**Mr. Grant Crack:** Thank you. Would you be aware that the age mixing is something that I don't think is in this particular legislation? That would come in the regulations—that we would have other consultations in the next number of months. Were you aware of that?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Three minutes is over.

**Ms. Sandra Giralto:** We certainly want to be part of the process. We're happy for this opportunity. We want to be part of the discussion, and we're really glad and grateful for that.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I'm sorry to interrupt.

It's to the PCs now, three minutes.

1430

**Mrs. Gila Martow:** Hi. Thank you very much for your presentation. As somebody who raised four kids, I can tell you that every child is very different and their abilities are very different.

**Ms. Sandra Giralto:** Yes.

**Mrs. Gila Martow:** I think that that's sort of what you and the previous presenter were trying to explain and maybe aren't quite getting through: that you can have a two-and-a-half-year-old child who's ready for school or you can have a two-and-a-half-year-old child that still needs, basically, babysitting. If a two-and-a-half-year-old child is ready for school and is stuck in a babysitting environment, they're actually not going to develop as quickly and maybe won't even catch up to what they could have been. That's why I think the Montessori program is about the kid's ability and not pigeonholing them and not putting a square peg in a round hole, but finding an environment that the kid is comfortable in and letting them grow as quickly as they want.

I think that we don't want to throw out the baby with the bathwater and I think this is a perfect example of that, where we're having unintended consequences and we're not supporting the fantastic work that the Montessori schools do in our communities.

My question to you is: Were you consulted on this piece of legislation? Did the government come to you and ask for your opinion?

**Ms. Sandra Giralto:** I think that having this opportunity to be here in front of the committee and in front of all of you—each one of us to have a voice and to be able to give you our point of view—is so important. I'm really grateful for this. I'm grateful that you're all taking the time to listen. I know that AMI all over the world sits at committees like this. As I say, AMI is the only Montessori organization that has a consultative status with the UN. So we do this often and we appreciate that, because I think it's important for all of us to be able to have the chance to find out about each other and for every child to have what they need and for every parent to choose exactly what that child needs. So it has to fit the child and it has to fit the family. We and AMI are concerned about the best interests of the child and we want to continue to do that.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ms. MacLeod?

**Ms. Lisa MacLeod:** I have a quick question. Your association is sort of a late entry. Did AMI have to actually bump another Montessori in order to get on here today?

**Ms. Sandra Giralto:** We applied to be here and we were granted access and—

**Ms. Lisa MacLeod:** It eventually worked? Okay.

**Ms. Sandra Giralto:** —we were very happy.

**Ms. Lisa MacLeod:** Okay. And then the second thing is, I guess—you were going to ask? I guess I can ask it. Do you believe that Montessori schools across the province should have an opportunity to speak to this legislation?

**Ms. Sandra Giralto:** I think everyone needs a voice. As I say, at least I can speak for myself and let you know that this is a very important piece of legislation and that we and AMI believe that taking care of the child to have what they need according to the high standards that are vetted, that are scientific, that are looked at by neuro-

logists, neuroscientists, child psychologists and pediatricians—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Sorry to interrupt. Thank you so much. The time is over.

**Ms. Sandra Giralto:** Thank you very much.

**Ms. Lisa MacLeod:** On a point of order, Madam Chair: Can I find out from the Clerk why Humberside Montessori School wasn't able to attend? That's on my original sheet.

**Interjection:** It was switched.

**Ms. Lisa MacLeod:** Okay. I just wanted to clarify that there was a switch between Humberside Montessori so that their larger umbrella organization, the Association Montessori Internationale, came in their place. Is that correct?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Not quite. They did switch, but they switched to Tuesday.

**Ms. Lisa MacLeod:** Okay, so it's a different time?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** So Humberside will still be there, but they will be there tomorrow.

**Ms. Lisa MacLeod:** Okay. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You're welcome.

MS. KATE SUMMERBELL

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now call Kate Summerbell to please come forward. Please sit down. You have five minutes—I think you were there in the room. Please start.

**Ms. Kate Summerbell:** Thank you. I'd like to thank you for welcoming me here to share my thoughts on Bill 10. I'm an independent child care provider, with 11 years' experience in both the licensed and unlicensed sectors in Ottawa and in rural Arnprior.

My colleagues and my clients have studied Bill 10 and the Ombudsman's report, and I'm really glad that you've given us an opportunity for you to listen to our critique. We have two broad concerns with this bill: the effects of a few excessively narrow restrictions; and the critical omission of measures vital to the safe child care sector that we all desire.

I'll start with our thoughts on restrictions. We agree that it's long past time regulations came into alignment between the licensed and unlicensed home daycare sectors. What's defined as a safe and optimal environment for a child must of course be the same across all sectors of daycare.

Under the Day Nurseries Act, the licensed sector has been struggling for years under stranglehold restrictions that fail to meet the needs of families and providers. The most skilled of licensed caregivers escape in droves to the less-regulated private sector. Independent daycare is the number one choice for parents across Ontario, comprising 78% of the industry. We have to consider why that is.

The regulations that parents and providers struggle with the most in this bill are the two-under-two rule, the spaces cancelled by a provider's own children and ac-

commodating school-age children up to the age of 13. Each of these regulations will cause immediate downsizing and expulsion of existing contracted clients.

The ministry has been negligent in providing an estimate of the affected spaces, or a plan to accommodate the displaced. These are real children with working parents and real, strong emotional bonds with their care providers. The disruption to their space and to the bonds that they have formed will be immediate and devastating. In the longer term, effects of the restrictions will decimate accessibility to daycare and eliminate upwards of 140,000 or more daycare spaces.

With Ontario's groundbreaking maternity coverage and the full-day kindergarten program, 98% of applicants for any space will be for a child under the age of 2. The two-under-two rule will close 60% of home care spaces to the majority of applicants. Replacement of daycare spaces by providers' school-age children will close even more spaces.

Parents returning to work will discover an instant daycare shortage for the 12-month age group. Families will struggle to find space in the same daycare for younger siblings or multiples. Compliant caregivers will turn away applicant after applicant, while their own spaces remain unfilled. Their businesses will become financially unviable, and their strongest competitors will be the non-compliant, illegal operators who will fill the demand for accessibility of daycare space.

Daycare providers need an income just as much as the working parents we support. If all our spaces remain unfilled, we go into a financial crisis and we close our daycares to seek work in other sectors. No provider, licensed or unlicensed, can survive or feed her family with empty spaces. We simply can't be turning away applicants when our spaces are empty.

Statistics drawn from the Ombudsman's report and the coroner's office support the safety track record of the DNA-compliant unrestricted private sector as comparable or even superior to the safety of licensed, age-restricted models. I have as many arguments supporting the safety and positive development in age-grouping models as there are for mixed-age restricted models. This committee must consider alternate age restrictions, such as one under one, two under 18 months, or three under two, to better meet the needs of the market and the families.

I'll be happy to detail my supporting evidence in question period, and share some stories of my frustration working as an agency-licensed provider. For now, I have very little time left, so I will quickly address some critical omissions of Bill 10.

It provides no increased oversight to the unlicensed daycare sector, and no standard of training across the board for providers in licensed and unlicensed sectors.

The Ombudsman's report devotes four full pages and a recommendation to the success of registry and direct licensing systems across Canada and the world. Existing licensing agencies are not accessible to small-town or rural Ontario providers, and regardless would never have the capacity to take on 350,000 or more independent care



providers in the province. A universally accessible registry or direct licensing is essential to improve oversight of the private industry.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds left.

**Ms. Kate Summerbell:** Also missing from Bill 10 is any provision to establish industry-wide standards of child care. Requirements such as first aid and CPR, vulnerable sector checks, training in the ELECT framework and emergency preparedness are some of the standards that the best providers acquire on a voluntary basis. To make any concrete improvement to the safety and development of children, Bill 10 must require all care providers to meet a basic standard of qualification, such as the national child care certification course, which could be made available through a website or through—

*Interruption.*

**Ms. Kate Summerbell:** Sorry.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Well, the five minutes came—

**Ms. Kate Summerbell:** Yes.

**The Vice-Chair (M<sup>me</sup> France G  linas):**—so your timing was very adequate.

We now go to the Liberals. Ms. Mangat?

**Mrs. Amrit Mangat:** Thank you for your presentation. What could be more urgent and what could be more pressing than the well-being, safety and security of our children? We have all read the Ombudsman's report, and the Ombudsman said that the legislation is extremely outdated, that it needs to be replaced immediately. Do you agree with this or not?

**Ms. Kate Summerbell:** The Day Nurseries Act absolutely needs to be replaced instantly—with improvements, not just more of the same complaint-based systems.

**Mrs. Amrit Mangat:** The Ombudsman also said that Ontario parents and children have waited long enough for reform and modernized child care in Ontario. Do you not agree with this statement?

**Ms. Kate Summerbell:** Absolutely. That's why I'm here.

**Mrs. Amrit Mangat:** So then what do you want to change?

1440

**Ms. Kate Summerbell:** I want to change the restrictive licensing process, the restrictions that apply to the licensed sector, because those did not work. Caregivers were leaving that sector in droves. They could not manage to work. I can actually tell you stories. I have identical twins, and when I began in the licensed sector, they took up my two-under-two spaces, which left me three spaces. My three spaces were not accessible to anyone entering the daycare system with a 12-month-old child. They were closed to those, so they were only open to people who, for some reason, changed daycare in the middle of an older age.

If my spaces were full, which they were not, I made \$26 a day in that program. It worked out to about \$7 an

hour. If my spaces were unfilled, as they were in many cases, I made about \$4 an hour for a 12-hour day.

**Mrs. Amrit Mangat:** So do you not think that Bill 10 will increase the safety of children in unlicensed child care settings?

**Ms. Kate Summerbell:** I think that the restrictions will have no bearing at all on the safety of children—because they've been operating under the same safety standards, with no ratios on the age groups, for 43 years, since 1971. I don't think that the safety track record of the compliant Day Nurseries Act sector will be made any safer by the legislation of the restrictive rules. I think it will be made safer if there's more oversight and if there's a registry system.

**Mrs. Amrit Mangat:** So how can we bring more oversight?

**Ms. Kate Summerbell:** A registry system and also maybe some training standards that are required by all caregivers.

**Mrs. Amrit Mangat:** Can you throw some more light on it?

**Ms. Kate Summerbell:** A registry system—the Ombudsman's report actually devotes four pages to this. They discuss where the systems of registry have been successful in Canada and across the States, so there's lots of information in the Ombudsman's report. Daycare providers that are independent—we're not afraid of people coming into our homes and inspecting our homes. We think that there should be a lot more funding for inspections so that we're inspected on a regular basis and not just on a complaint-based basis.

**The Vice-Chair (M<sup>me</sup> France G  linas):** We'll have to switch. We're now to the PCs. Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much for your presentation. We've been doing a lot of consultation ourselves on this particular bill. One of the things I've found out from the independents, as well, that are not licensed at this point—I think it's almost unanimous now that most of them would like to see a registry and/or some kind of licensing.

**Ms. Kate Summerbell:** Absolutely.

**Mr. Garfield Dunlop:** It ties in exactly with what you're saying. My question to you is, just looking at your sector, how many daycare spaces do you think will be lost if we go ahead with this bill in its present form, in your sector alone?

**Ms. Kate Summerbell:** In my sector alone, in rural Arnprior, I did a poll and I got a response from only 10 daycare providers. Two of them have already closed; they were early childhood educators. They have gone into the school system because they don't believe they'll be viable under Bill 10, so they took a job when it happened. I have three providers that will be closing two spaces because of their own children. I have one provider who will be closing three spaces and two who will be closing two spaces. I think I ended up with 14 spaces closed out of 10 daycares alone because of the three restrictions that I mentioned.

**Mr. Garfield Dunlop:** Thank you.



**Mrs. Gila Martow:** I just want to mention that I believe you're in John Yakabuski's, our colleague's, riding, and I know he's very concerned and has expressed his concerns to us as well.

In my riding, there was, unfortunately, a very sad occurrence, a death of a little girl this past year. It was in an unlicensed daycare. I think that that's sort of what we're all hearing from your great presentation: that the problem isn't the licensed daycares, it's the unlicensed daycares. By making further restrictions on licensed daycares, we're going to actually do the opposite of what we want: We're going to have more unlicensed daycare spots. We're going to have more children in those unlicensed daycares. Why would we want to be doing that?

Can you suggest if maybe there's a point system—because I think that that's the concern. People don't want to see a licensed home daycare or an unlicensed home daycare with 10 infants. They want to see a bit of a range. Is there a way to do it without making it such a hard, fast, arbitrary kind of rule—where what we see is that for mothers, or even fathers, who have to go back to work when the child is 12 months old, the problem is going to be that a lot of daycare spots don't open until the child is older because we're restricting infant daycare spots with this legislation. How is the government going to provide for these families?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Kate Summerbell:** Okay—

**Mrs. Gila Martow:** Sorry.

**Ms. Kate Summerbell:** I have a couple of places where I disagree with you. I don't believe that DNA-compliant unlicensed daycare is the problem at all. I believe it's the non-compliant, illegal daycares. They would fall under the Day Nurseries Act, whereas compliant, unlicensed care does not fall—it falls under the Day Nurseries Act with the less than five children.

I also don't agree that all parents prefer a mixed-age group. I know a number of parents who want their child—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Sorry, I have to cut you off.

**Ms. Kate Summerbell:** Okay.

**Ms. Lisa MacLeod:** Point of order: I just wanted to be perfectly clear. In the Ontario Progressive Conservative Party, we believe in licensed and unlicensed child care. We just believe there needs to be a registry and that the government needs to enforce its regulations.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I don't think that's a point of order.

**Ms. Lisa MacLeod:** Okay. I just wanted to clarify—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** To the NDP: Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you very much for being here today. Do you want to finish the point you were just making?

**Ms. Kate Summerbell:** Oh, if I can even remember it. I was just saying that a lot of parents want a single age group. They feel that when their infant is in care, there shouldn't be Lego and glitter glue and a daycare provider

focusing on an advanced preschool craft when their infants are needing bottles and diaper changes and cuddles and full-on arms attention. Some parents want their little ones to grow up in a group of the same age and some parents want a mixed-age. The unlicensed sector has been self-regulating that for 43 years, and very successfully. We meet the needs of the parents. We adapt our daycares to what the parents are demanding and what the market is demanding.

Parents don't all want their children in Montessori, they don't all want their children in unlicensed care, and they don't all want their children in mixed groups. In fact, age grouping is really common in a lot of the daycare centres, so when a caregiver is free to adapt to what the parents need or to her own best skills, then I guess the market need is better and children are safer.

**Mr. Peter Tabuns:** I've gathered from your presentation that the rule of two under two you don't think is a realistic ratio.

**Ms. Kate Summerbell:** I have two problems with it. It does not give the caregivers the ability to meet a parent's need for younger siblings or for their own specific age groupings, if that's what they prefer. It also will make us not viable as businesses, because 60% of our spaces will not be available to returning workforce parents.

**Mr. Peter Tabuns:** So how many children under two should be allowed to a single caregiver?

**Ms. Kate Summerbell:** I think it's very subjective. Part of me wants to support a caregiver's right to have an entire infant group that they raise as a group through the ages and stages right up to kindergarten, release them to kindergarten and start with a new group. That is what I would have done when my twins were two. I didn't want to be dealing with Lego and glitter glue. I wanted to have a mix of children that were the same age as my children. Now that my children are 12 years old, I prefer a mixed group. It works well for me. But sometimes the market brings me three children under the age of two. Right now, I have three that are going to turn four next year, and all three of them will be going together to kindergarten. They were all raised together and they were fabulous.

For me, I could—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Kate Summerbell:** —operate easily with two under 18 months or a three-under-two rule. I could adapt to that. But it would also be nice if providers had the freedom to self-regulate. So I support both ideas, one personally and one professionally, representing my profession.

**Mr. Peter Tabuns:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you so much.

#### CHILD CARE PROVIDERS RESOURCE NETWORK

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now like to invite Brenda Burns, board president, and Doreen

Cowin, executive director, of Child Care Providers Resource Network.

**Ms. Lisa MacLeod:** Point of order.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Yes, point of order.

**Ms. Lisa MacLeod:** Thank you very much. My concern is that we're not informing the witnesses when we need amendments to the bill to be filed by, what the deadline is. Could you provide that at the top of every presentation, in case they have amendments they would like us to put forward?

**The Vice-Chair (M<sup>me</sup> France G  linas):** Okay. Is there willingness within the group? Not everybody will be filing amendments, and I'm not sure everybody knows this language of filing amendments. How about we make sure that everybody who comes here will receive a communication from the Clerk advising them as to when they have to file amendments. We will do this either by email, if they have email, or by phone calls to let them know, rather than taking time this afternoon.

Did you get all that?

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Do they mean written submissions or when members are to file amendments?

**The Vice-Chair (M<sup>me</sup> France G  linas):** For the people who present.

Did you get all that?

**Ms. Doreen Cowin:** Yes—

**The Vice-Chair (M<sup>me</sup> France G  linas):** That didn't eat into your five minutes, but your five minutes starts now.

1450

**Ms. Doreen Cowin:** Good afternoon. Thank you for the invitation to speak to you today. The safety and well-being of each and every child is our primary concern and of paramount importance, regardless of where they receive their care. We have stated in the past, and I state again today, CCPRN wants to work with the government and with stakeholders to ensure that preschoolers are in the care of someone who has their best interests at heart. Those individuals should have access to the most up-to-date tools and resources so that they can provide a safe, nurturing and engaging environment.

If the priority is to prevent death and increase safety, Bill 10, in its current format, will not achieve it. This bill does not address the safety and well-being of all children in care. If it goes through without amendments, there will be significant consequences.

Bill 10 restricts independent professional caregivers, or IPCs, and will eliminate more than 140,00 daycare spaces, causing daycare shortage, and ultimately force the closure of many small businesses, as IPCs will no longer be able to afford to provide the care. Experienced and qualified IPCs will leave the profession. Close to 60% of businesses will disappear, resulting in economic losses for the province and increased rates for parents. The bill will increase the number of caregivers who go underground, and thus increase safety concerns.

Despite this bill, if it goes forward, over 800,000 children will still be in the independent sector, yet the bill

does not contribute constructively to the quality of independent home child care. In our 30 years of experience, we have seen clearly that it is not licensing that equates to quality; it is information, training, resources and support. If we invest in these for both parents and caregivers, then we would see improvements in quality and safety.

The proposed legislation offers an attempt to regulate unlicensed child care through stricter penalties and more restrictions, but Bill 10 lacks a strategy for monitoring the sector to determine when offences occur. As we have witnessed, a complaints-driven system does not work and will not signal an unsafe daycare until it's too late. Legislation needs to move away from a model of incentives and punishments and toward a model of empowerment. Incentives and voluntary registration or licensing will only appeal to those caregivers who already provide high-quality care, and punishments only work if there is sufficient oversight to ensure that violations are noticed.

Until a province-wide registry or independent licensing becomes mandatory for all child care providers, subpar child care will continue to exist. These strict, unreasonable ratios will force more caregivers underground, thus compounding the problem by even further decreasing their access to information and support.

**Ms. Brenda Burns:** The 6,000 new spaces will not accommodate the approximately 140,000 children who will be displaced due to the new ratios for IPCs. This will result in confused, displaced children, angry parents and a weaker economy. This bill will have a significant impact on women entrepreneurs, with parents needing to stay home with their children and caregivers closing their business. There will be a rise in unemployment and less expendable income.

In the Ombudsman's report this fall, he wrote, "It is also too early to close the door on other options such as developing a comprehensive voluntary or mandatory registry, extending the licensing scheme to informal caregivers and/or establishing universal standards for first aid and safety training, and criminal records screening." In recommendation 110, he said, "The Ministry of Education should review the existing voluntary child care registries and consider the feasibility of adopting a centralized provincial registry, with registration on either a voluntary or mandatory basis."

IPCs are not unlicensed because we want to be. On the contrary, CCPRN supports a registry for all, and CCPRN is ready to host the pilot registry and work with the government to make it happen. What we need is a list of caregivers, a registry or individual licensing so that the government has a means to pass on quality standards and best practices, as well as to monitor compliance. While we agree with the goal of safer, higher-quality child care, we do not believe the route is through affiliation with licensed agencies—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Brenda Burns:** —rather it is through the development of a province-wide registry. We urge you to



consider what we are saying and to make the necessary changes to Bill 10 to keep all of Ontario children safe.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Very good. We'll start with Mr. Dunlop.

**Mr. Garfield Dunlop:** I've got one quick question and then to Ms. MacLeod. Can you give us a sort of a layout of how you established the 140,000 lost daycare spaces, maybe just a sheet you could hand us and say, "This is exactly how we came up"—because the minister doesn't agree with you. We've asked that question a number of times in the Legislature and she treats us like we're idiots when we ask that.

**Ms. Brenda Burns:** I'd like to answer, actually, that question right now. A 2013-14 survey conducted by CCPRN, with responses from 900 IPCs currently operating in Ontario, shows that the new restrictions proposed in this bill will have a significant impact on the IPC care model and will require a majority of IPCs to terminate care for some currently served families—76%; raise daycare rates to compensate for less revenue—82%; look for alternate employment—57%; find daycare for their own children in order to secure alternate employment—49% of caregivers with two children.

There's already a shortage of daycare spaces, particularly in the 12-to-18-month age group. When we look at this new legislation, that's the age group that's going to be most affected because of the new two-under-two proposal. However, whether it's 70,000 or 140,000 spaces lost, the result is going to be the same: unhappy, displaced children and angry parents who can't get to work. This will have a grave impact on the economy, but it begs the bigger question: Where will these children go?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ms. MacLeod.

**Ms. Lisa MacLeod:** Thanks very much. It's really nice to have Brenda and Doreen here. I think it was over a year ago when you and I—well, all of us—met about this impending bill at the time. I want to congratulate you guys for becoming so mobilized, working with the independent child care operators. We know that the Association of Day Care Operators, who are licensed, private, non-profit and for-profit, is involved in this now. We hear from Montessori. So there seems to be a growing problem with Bill 10.

You have outlined some of the changes you'd like to see. I congratulate you, by the way, for sticking to it. As I told you then, I was with you then and I'm still with you now.

I'm just wondering what you would say to the government members here today on how to make this bill less intrusive on parental choice in the province.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Doreen Cowin:** Okay. I think the government needs to revise the ratios in terms of making it less intrusive. Even if you look across the country, five provinces have three under two, one of which also has two under 18 months. That's the biggest thing for independent professional caregivers, to all of a sudden have to include their

own children—and then also change the definition of a child back to 10. Having it raised to 13—all the school-age children from 10 to 13 now will count in the number of five, and that just makes it—where are those children going to go? Like, 10-to-13-year-olds need daycare.

**Ms. Lisa MacLeod:** Thank you for coming all the way from Ottawa. I wish we would have been in Ottawa today with you and so many other parents, but again, the government has refused to travel the bill, which is unfortunate. But thank you for coming today.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you very much for being here today. Could we have a copy of your remarks? I got this package, but it doesn't seem to have exactly what you've—

**Ms. Doreen Cowin:** Can we email it to the committee?

**Mr. Peter Tabuns:** Oh, yes. Absolutely. That works.

**Ms. Doreen Cowin:** Okay. We'll do that, absolutely. Thank you.

**Mr. Peter Tabuns:** The calculation of 140,000 lost spaces: You're basing that on a survey you did of 900 providers?

**Ms. Brenda Burns:** Well, quite frankly, we've seen so many numbers out there—

**Mr. Peter Tabuns:** Yes, so have I.

**Ms. Brenda Burns:** —so many contradictions. It's my personal belief that no one, including the government of Ontario, has any idea of how many children are in independent care, and they don't know how many spaces will be lost.

If we could establish a province-wide registry, we would be able to track caregivers and we'd be able to track children. We would know where they are and who they are. Quite frankly, how do you answer that question? I've read so many reports, I now am confused over the numbers.

**Mr. Peter Tabuns:** Okay. Because I haven't seen any independent study, any Stats Canada assessment either. I can't figure out whether the 140,000 is a wild overstatement or simply completely off the mark. I don't know, and I don't think anyone does.

The question of mandatory registration and inspections: That is one of the positions you're putting forward, then, that every child care provider should be registered and open to inspection by the government of Ontario?

**Ms. Doreen Cowin:** Absolutely, and we see three really good reasons for that. The registry is not just a listing; it would require basic requirements, documentation and training, things such as first aid, CPR, police records check, home safety checks, annual professional development, annual registration with the city or whoever holds the registry—absolutely. And then the three functions: It would help the government communicate with the caregivers and provide them with information about program quality, emerging standards and best practices; it would provide parents with information on quality care and programs, and parents could use that information when they do their screening and reference



checks; and it would be an access point for unscheduled safety inspections by the ministry.

1500

We talked to caregivers across the province. They want a registry. They want standards, they want professionalism and to be recognized as professionals. They obviously feel they're professionals themselves.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Mr. Peter Tabuns:** As professionals, do you think they also should have early childhood education certificates?

**Ms. Doreen Cowin:** No, I don't think so. I think they need to have some education around child development and child guidance, safety, first aid and CPR, but I think that's available over the Internet in courses. Certainly at CCPRN, I know that in Ottawa, our caregivers are very, very fortunate. We're offering workshops—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Sorry to cut you off, but the three minutes is over.

To the Liberal side—who's it going to be? Mr. Anderson.

**Mr. Granville Anderson:** Hi. Thank you very much for coming here this afternoon. I know how important—and how passionate you are about the bill, but you have to agree that something had to be done, given that we have lost four children in the space of a few months from unlicensed daycare providers.

**Ms. Doreen Cowin:** We certainly strongly believe in a registry, like I said. First of all, the issue in Vaughan as well as in Orleans is that there were way more than five daycare children. So they were not legal home child care situations. If we had a registry where all caregivers would know the law, would have to follow the law to be on the registry, then parents know what to look for and parents know that they should be going into that home. That was one of the issues in Vaughan: that the parents didn't go into the home.

**Mr. Granville Anderson:** MPP Dunlop had asked about the 140,000 spaces that you claim would be lost. If that were to happen, I would assume it would be two children per provider. Is there a way of really scientifically coming up with a figure, or is that just a figure that's a figment of one's imagination, as I've heard totals of 350,000 from some groups as well?

**Ms. Brenda Burns:** Well, we surveyed 900 caregivers across Ontario. I read you the stats; I'd be happy to repeat them. Of the 900 caregivers who answered those questions, they would terminate care for some currently served families—76%; raise daycare rates to compensate for lost revenue—82%; look for alternate employment—57%; find daycare for their own children in order to secure alternate employment—49% of those caregivers had two children of their own. I am an independent professional caregiver. I would have to terminate clients.

**Mr. Granville Anderson:** Doreen, you were quoted as saying that there has never been any scientific study done at one point, so I'm just wondering where this

figure came from. I hear it all over the news, but there is really no way of defining that 140,000 spaces would be lost, or 300,000 or 400,000. There's really no way of doing that; it's just—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Brenda Burns:** The only way to really calculate that is to implement a province-wide registry which would track caregivers and the children in their daycare. Then you would have accurate statistics.

**Mr. Granville Anderson:** And also, is there a ratio that you have in mind? We're trying to make this bill better. Two under two doesn't work for you; is there something in mind? The previous speaker basically said that it could be 20, based on her conversations. What do you think would be suitable for it?

**Ms. Brenda Burns:** CCPRN as an organization is—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say you're out of time. We'll have to move on to the next presenter. Thank you, members of the committee.

As you can tell, there's been a shift. France G  linas has House duty. I will be here for the next hour.

## QUALITY EARLY LEARNING NETWORK

**The Chair (Mr. Peter Tabuns):** The next presenter: Quality Early Learning Network, Joan Arruda.

If you could have a seat and just identify yourselves for Hansard, I'd appreciate it. Your names, please.

**Ms. Rebecca Barrows-Vrankulj:** I'm Rebecca Barrows-Vrankulj. I'm here presenting with Joan.

**Ms. Joan Arruda:** I'm Joan Arruda from the Quality Early Learning Network. Just bear with me; I'm going to speed-read.

Good afternoon. I am accompanied today by Rebecca Barrows-Vrankulj. On behalf of the Quality Early Learning Network, we want to thank you for the opportunity to present on this very important bill, the Child Care Modernization Act.

In our brief presentation, I would like to tell you about QELN and why we support this much-needed modernization, and provide a few important recommendations for enhancing Bill 10 to ensure safe, affordable, stable and high-quality care is available to children aged zero to 12 in Ontario.

QELN represents 17 not-for-profit early learning and family support agencies. We serve more than 58,000 children and families in southern Ontario and provide a wide range of early years services, including licensed child care programs, home care, and before- and after-school programs.

Let me be clear: QELN strongly supports Bill 10. We firmly believe the health and well-being of children must come first, so we particularly welcome the focus on safety and additional protections and enforcement across the sector.

Bill 10 outlines a bold, transformative and far-reaching framework for child care and early education in Ontario. As we have called for in the past, QELN strongly recommends that a Premier's advisory committee be

created with representation from child care, municipalities, education and other stakeholders to help guide the repeal of the Day Nurseries Act, changes to the Education Act and the establishment of new regulations for a more modern, stable and affordable child care system.

I will now turn to Bill 10 specifically.

We strongly support the requirement for unlicensed home child care providers to include their own children under the age of six toward the maximum of five children permitted in their care.

We support the position of the Home Child Care Association with respect to the new protections and child ratios for home child care, including the recommendation that Bill 10 be amended to maintain the “three children under three years of age” rule for all home child care providers. We believe this is the appropriate threshold to preserve the safety of infants.

While we understand the intention behind increasing the limit for licensed home child care providers from five children to six, we would only support this increase if specific regulations concerning space, qualifications and the age of the children are implemented.

We are also concerned about the licensing exception for child care providers where recreation or skill-building programs are provided as a complementary purpose for children aged six or older. This exception would create confusion for parents, operators and the enforcement arm of the ministry, and could allow providers to operate without appropriate oversight.

We recommend that Bill 10 be amended so that the recreation or skill-building programs exception requires that the program be operated by an authorized provider as specifically prescribed by a regulation under this section.

Based on our experience and existing research, we believe that the threshold for considering different ratios and programs for school-aged children should be raised from six to eight years old.

Our final recommendation concerns changes to the Education Act and the new requirement for all school boards to offer before- and after-school programs for children in grades 1 to 6 in their schools. This is a bold policy that we support. However, we are concerned that the bill would allow school boards to offer third-party programs that do not meet licensed child care requirements and result in unintended consequences.

The government and community have worked hard to stabilize the child care sector—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Joan Arruda:** —and ensure children’s safety during the implementation of full-day learning. We need to ensure that new rules for before- and after-school programs do not destabilize the sector and put access to quality child care at risk.

An integrated approach, with one third-party provider per school delivering child care for ages zero to 12, is the best approach for children, parents and school boards. We recommend that Bill 10 be amended so that the same requirements apply to third-party providers for before-

and after-school programs for all children from age four to 12. In the alternative, we are asking the ministry to work with QELN and other sector partners to develop the regulations for, and transitions to, extended day and third-party programs for grades 1 to 6 pupils.

We are also asking the ministry to delay the proclamation of schedule 4 until school boards and the child care sector are confident in their ability to implement this program.

We hope the committee supports our recommendations on how to improve Bill 10. Thank you for your time.

**The Chair (Mr. Peter Tabuns):** Boy, right on the button.

The first question is from the third party. Miss Taylor.  
**1510**

**Miss Monique Taylor:** Thank you so much for being here today and for being part of this process. I heard you quite clearly saying that you’re in full support of Bill 10. Was your group part of or in discussions with the government and the committee that struck these recommendations to the changes? Were you part of that process?

**Ms. Rebecca Barrows-Vrankulj:** The Quality Early Learning Network has had a position on the education advisory committee at the Ministry of Education, so we, along with other child care sector leaders, have had an opportunity to contribute, yes.

**Miss Monique Taylor:** During that process, what were the considerations when it came to the unlicensed sector? What were the conversations? We know that 80%—the estimated number, I guess, is 80%—of children are in unlicensed care, so what are the thoughts and the recommendations about moving forward to making sure that all children in this province and all parents can afford safe, affordable child care?

**Ms. Rebecca Barrows-Vrankulj:** The QELN believes that the safety of all children in care is paramount—

**Miss Monique Taylor:** Absolutely.

**Ms. Rebecca Barrows-Vrankulj:** —and is encouraged by what we see in Bill 10 as far as ensuring that that happens in the licensed and unlicensed sector. There are a number of kids who are—an overwhelming number of kids—in that unlicensed sector, and we’re encouraged by the considerations of safety and some additional enforcements in that area.

**Miss Monique Taylor:** Right, but I’m concerned again, still, that this bill talks a lot about the licensed providers, but it does nothing to help unlicensed providers become licensed. Do you think that’s a problem?

**Ms. Joan Arruda:** I think that there will be opportunities within regulation to address those issues as the legislation moves forward. I would assume that as the system stabilizes, there will be individuals who may choose to join the licensed sector. There will continue to be an unregulated or independent sector that I think will continue to operate, and do so now.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.



**Miss Monique Taylor:** Here's another framework. We probably don't have enough time, but I would love to hear what your thoughts are about changing the ratios in regard to the actual safety of the children.

**Ms. Joan Arruda:** We are committed to maintaining the ratios for three under three now, and we are requiring that if the—

**The Chair (Mr. Peter Tabuns):** Thank you, and I'm sorry.

We'll go to the Liberals now.

**Mrs. Amrit Mangat:** Thank you, Chair.

Thank you, Joan and Rebecca, for your presentation. I understand in your presentation you said you support the legislation and this is much-needed modernization. Can you elaborate? Why do you think this legislation is needed quickly?

**Ms. Rebecca Barrows-Vrankulj:** Why do we think it's needed quickly?

**Mrs. Amrit Mangat:** Yes.

**Ms. Rebecca Barrows-Vrankulj:** I think that, again, the Quality Early Learning Network believes that quality and the safety of all children are paramount, and the sooner we can ensure that's happening in all care settings, the better, and that's certainly what our priorities are.

**Mrs. Amrit Mangat:** So how will Bill 10 improve safety in the unlicensed sector?

**Ms. Rebecca Barrows-Vrankulj:** We are encouraged to see that there are elements of the regulation that are being applied to the independent sector, as well as some of the enforcement pieces.

**Mrs. Amrit Mangat:** What are the risks if the existing legislation is not replaced by the current one?

**Ms. Rebecca Barrows-Vrankulj:** Again, the Quality Early Learning Network strives for, encourages and advocates for a quality system for all children in care.

**Mrs. Amrit Mangat:** Can you tell us about how Bill 10 aligns with your organization's mandate?

**Ms. Joan Arruda:** We are 17 non-profit child care providers that have service multi-site, so we have many years of experience in the field and are very familiar with the current legislation. There is no doubt that it is time for transformation and change for all children. As a group network, we believe that children's safety must come first, and that's what we believe this legislation is going to address.

**Mrs. Amrit Mangat:** Thank you.

**The Chair (Mr. Peter Tabuns):** Mr. Crack.

**Mr. Grant Crack:** Thank you very much, Mr. Chair, and thanks for coming, as well. You represent 58,000 children and families and 17 different agencies. Have you heard anything negative? All we hear is negative from, obviously, the opposition. We've got some reasonable positions from the NDP. But what are you hearing on the ground concerning the legislation, in your area?

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Rebecca Barrows-Vrankulj:** Within our sector, as the QELN's perspective—as a not-for-profit organization, multi-service, multi-sector—we are encouraged. You'll see, in the copies that you were given, areas of the

bill that we think should be considered to further extend where this bill is going, but overall we're encouraged by the steps that are taken.

**The Chair (Mr. Peter Tabuns):** Thank you. We now go to the Conservatives—the opposition. Sorry.

**Ms. Lisa MacLeod:** Thank you. In your presentation on page 2, you say that you “support the position of the Home Child Care Association with respect to the new protections and child ratios for home care, including the recommendation that Bill 10 be amended to maintain the three-children-under-three-years-of-age rule for all home child care providers. We believe this is the appropriate threshold to preserve the safety of infants.” Can you explain that?

**Ms. Joan Arruda:** Currently under the Day Nurseries Act, in the licensed sector you may have only two children under two and no more than three under three. We are requesting that that regulation continue.

**Ms. Lisa MacLeod:** Maintain the status quo?

**Ms. Joan Arruda:** For the licensed home sector, yes. In the unregulated sector as well.

**Ms. Lisa MacLeod:** Okay. I have a quick question. Do you believe in parental choice?

**Ms. Joan Arruda:** Yes, I do.

**Ms. Lisa MacLeod:** Do you believe in parental responsibility?

**Ms. Joan Arruda:** I think the Quality Early Learning Network supports many parents. We believe that they make a choice, and we'd definitely do anything to support parental choice, yes.

**Ms. Lisa MacLeod:** Okay. Bill 10 actually takes away some parental choice. In fact, the first deputant we had was actually a parents' group that spoke. They said they feel—and I'm using their words, not mine, but I will say them, and I have repeated them: “my parental choice is eroded” because of this bill.

**Ms. Joan Arruda:** I think this legislation is going to enhance quality in this province and will actually support choice in a very broad way. It is long overdue that child care legislation is modernized, and I think that once the regulations are finished, parents will have more choice, and they will have a choice of safe, affordable child care.

**Ms. Lisa MacLeod:** Just in my case, having put my child through an in-home child care facility, I made the choice. I'm a responsible person. I actually find that some of the discussion around this bill is quite offensive in the fact that the minister and some members of the government and some stakeholders would decide to tell me that they know how to look after my child or they can find quality care for my child better than I could. I guess at the very heart of this is an issue of parental choice and parental responsibility. I don't think anyone is arguing about the safety of children. I think that's paramount, but let's remember, we're here today because the government didn't do its job in enforcing its regulations and didn't have enough inspectors with its regulations—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Lisa MacLeod:** —and I think that's critical and that's key. In terms of choosing quality care, I think

moms and dads are best able to do that; I don't think government bureaucrats, speaking on my behalf, are. I just wanted to leave you with that.

**The Chair (Mr. Peter Tabuns):** Do you want to comment? You have 10 seconds.

**Ms. Joan Arruda:** No, it's all right.

**The Chair (Mr. Peter Tabuns):** Okay. Thank you very much.

#### TODAY'S FAMILY EARLY LEARNING AND CHILD CARE

**The Chair (Mr. Peter Tabuns):** Today's Family Early Learning and Child Care. Welcome. Good afternoon. If you could introduce yourselves for Hansard. As you've noticed, you'll have five minutes, and I'll warn you at the one-minute mark.

**Ms. Maureen Hall:** My name is Maureen Hall, and this is my colleague Brenda Ferguson. We are here to express the views of Today's Family Early Learning and Child Care regarding the components of Bill 10.

Today's Family is a non-profit, multi-service, multi-site organization providing services to children and their families in Hamilton, Halton and Grand Erie. We currently provide services and support to approximately 4,000 children and their families daily through licensed home, early learning and child care programs, early learning and child care centres, before- and after-school programs, Ontario early years centres and adventure camp programs.

1520

We appreciate the opportunity to applaud the Ministry of Education and the Ontario government for their timely attention to this significant issue that impacts the children and the families of Ontario every day. Passing Bill 10 is the opportunity to build a better system for our children and their families.

In unison with our colleagues at the Quality Early Learning Network and the Home Child Care Association of Ontario, we support the main principles behind Bill 10 indicating that the safety, health and well-being of children must come first. The Ontario government has made a clear commitment that every child has the best start. Quality child care must be affordable and accessible for all families in Ontario. The enforcement across the sector of the proposed specific measures will ensure that Ontario's children and families are well protected and quality care is provided and accessible to all families across the province.

The licensed home early learning and child care programs should continue to operate under an agency model to ensure accountability, safety and compliance with specific measures. We support the maintenance of the standard that groups should have no more than three children under the age of three years. We support increasing the number that licensed home child care providers can care for from five to six children. We support that all child care providers include their own children under the age of six years in the ratio. We support the

provision of public clarification of the differences between licensed and unlicensed home child care. Families must be able to make informed decisions.

The Child Care and Early Years Act proposes that the complementary purpose of promoting recreational, artistic, musical and athletic skills for children six years of age and older will not be licensed. We advocate for the licensing of all programs for school-age children to ensure accountability, safety and compliance to specific measures.

The passing of Bill 10, the Child Care Modernization Act, 2014, is a significant step in ensuring that the provision of child care in Ontario ensures quality, choice for families, accountability, safety and compliance, and the reinforcement of specific standards. The enactment of the Child Care Modernization Act impacts families, children and the economy. As the result, children of Ontario and their families will indeed have the best start.

**The Chair (Mr. Peter Tabuns):** That's your presentation?

**Ms. Maureen Hall:** It is.

**The Chair (Mr. Peter Tabuns):** You come in under time. I congratulate you. Thank you.

We'll start off questioning with the government. Mrs. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much. I'd have to probably be unique in this room in that not only did I have one child in child care, I've had five children that I've raised over the last, actually, 24 years. So I have gone the gamut between licensed child care centres to considering Montessori, which I couldn't do because of my work as a nurse. I did 12-hour shifts and was unable to do Montessori because of my own time period. One of the children I raised had health issues. We were given all kinds of choices right up until my youngest, who just turned 11, who's still in an after-school program—I've had all kinds of choices as to whether I put my child in a centre, whether I do a private provider, or whether I do licensed or licensed. I don't feel, as a parent, that I've lost any choices.

But I am a critical care nurse. I am a former emergency room nurse. Safety of children is of utmost importance to me. That's one of the reasons that, when I've been able to choose my private, unlicensed provider which worked best for my family, I knew what questions to ask in terms of their qualifications: Have you done your first aid? Do you know about fire safety? Are you able to get the kids out of the house? Have you got properly installed child care seats? So I did an awful lot of that research myself. I also am aware that not everybody does that. They don't do their homework because they don't understand the consequences.

We've heard the arguments for and against in this. For me, it comes down to child safety. It comes down to the safety of each individual child. Certainly, some unlicensed providers are better than others, the same as any other organization.

What I'm really interested in hearing from your organization is why you do support this bill, but I also see, in



your recommendations, that you support a call to amend it to maintain three children under three years of age for all home care providers. Could you give me just a little insight into why you think that's a good one to follow up on?

**Ms. Brenda Ferguson:** Thank you for your question and your comments. We believe that the safety of children comes first. If you're looking at a home setting, we advocate maintaining the three-under-three rule and including children in that sector.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Brenda Ferguson:** If you have children in your house and there is an emergency and a safety issue, you want to be able to ensure that all those children are safe, accounted for and well cared for. Increasing that ratio decreases the element of safety.

**Mrs. Kathryn McGarry:** I appreciate what you have to say. In the few seconds left, do you think all child care providers should do some first aid and basic safety training?

**The Chair (Mr. Peter Tabuns):** I'm sorry to say this, but you hit your three minutes just there.

To the opposition.

**Mrs. Gila Martow:** Thank you very much for your presentation. I made some notes. You mentioned that you believe in affordable, accessible and provided for all, when actually this legislation will make it less affordable and less accessible. We have to realize that not everybody lives in large, urban centres. In a small town where there is no large provider of daycare services, people need to have the choice to have home care for their kids.

You're talking about accountability, safety and compliance. Basically, what we're hearing from parents is that they would like to see a registry and they would like to see that when they make a call to the ministry, their complaints are acted on. I think that's the real issue that should be addressed, and it's just being completely swept under the rug. I do believe we should have a registry of child care providers that parents can go to and see what's available, even just to know what's available in their neighbourhood.

**Ms. Maureen Hall:** I think that one of the pieces we did mention in our presentation is that there has to be enforcement of specific measures across the sector. That's one of the things that has to happen for all children in all home child care programs. If there is a way that people can comply with specific measures, somewhat like in a restaurant—you can't go to a restaurant unless they meet specific standards; you can't open a restaurant without specific standards. People should have to comply with specific standards to open a child care business.

If we have parents who are educated, as we mentioned, there has to be some clarification about what is licensed care and what is unlicensed care. We have to have that. We also have to have that enforced across the sector.

**Mrs. Gila Martow:** I think that part of the problem is that we all know people who have triplets plus another

kid or two. It almost sounds like the province and this government is looking to get mixed up in how they are providing for their own children. I think that most parents—the vast majority—feel very comfortable assessing on their own for a play date, for a birthday party and, yes, even for child care, and making that decision on their own, what's best for their own children.

**The Chair (Mr. Peter Tabuns):** You have 40 seconds left. You're done?

**Miss Monique Taylor:** Can I have her 40 too?

**The Chair (Mr. Peter Tabuns):** No. You have your three minutes. Please proceed.

**Miss Monique Taylor:** Thank you so much for being here today. I know you were a large participant in creating Bill 10.

My question is this: You talked about enforcement. One of your recommendations in here is about the ratios. This is about the safety and the well-being of children. We all know that children died in this province just shortly before this bill came to life because of unsafe conditions. And we know that those unsafe conditions were allowed to occur due to the ministry's lack of accountability, of showing up to those complaints, of doing their job—the lack of enforcement.

I also know that there are going to be six new investigators coming out of Bill 10 to make sure these kinds of things never happen again. What's your opinion? Do you think six is nearly enough?

**Ms. Brenda Ferguson:** I think there are two things there. Without families knowing and having a public campaign around what is licensed care, what is unregulated care and what are the signs to look for—I think the government did a great job when it came to full-day kindergarten and really campaigning, so families knew what full-day kindergarten was and what to expect.

1530

I think something similar needs to happen in the same avenue regarding licensed and unregulated care and what families need to look for so families can make an informed choice. In that, there should also be the inclusion of some standards now around a complaints-driven process on what to do if you are concerned about your child's care.

**Miss Monique Taylor:** So the number that is being tossed around is that 80% of our children in this province are being looked after in unlicensed child cares.

**Ms. Brenda Ferguson:** I don't think—

**Miss Monique Taylor:** Whether we disagree or not—sorry; I only have so much time—we know that really it is a very large amount of children who are in the unlicensed sector. If we don't have enforcement to keep up the rules that were in place before, how possibly are we going to be able to keep up the rules of today?

**Ms. Brenda Ferguson:** It's a good question. I think the one thing to address, though, when we're saying that up to 80% of children are in the unregulated sector—from studies we've read, approximately 34% are in familial care, so in the care of a relative. We're not ques-

tioning the care of a relative by any means, and that decreases the number.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Brenda Ferguson:** Is six enough? Perhaps not. But I think with the campaign mounting so families do know, and there is an avenue for people to identify what the measures of quality care are, we can make a great change in our province.

**Miss Monique Taylor:** Would you believe that a data bank for unlicensed child care providers would be appropriate to at least allow them to be accountable to the public?

**Ms. Brenda Ferguson:** As a minimum standard, if it's something under the Ministry of Education, yes.

**The Chair (Mr. Peter Tabuns):** I'm sorry; your three minutes are up. Thank you very much. We appreciate your presentation.

MR. LARRY STORM

**The Chair (Mr. Peter Tabuns):** Our next presenter is Larry Storm. Good afternoon.

**Mr. Larry Storm:** Good afternoon.

**The Chair (Mr. Peter Tabuns):** If you would identify yourself for Hansard.

**Mr. Larry Storm:** My name is Larry Storm.

**The Chair (Mr. Peter Tabuns):** Excellent.

**Mr. Larry Storm:** I'm here as a father. I have a 19-month-old son; I have a 10-year-old daughter. I was fortunate with my daughter. My ex-wife's mother watched her, so I didn't have to worry about daycare. With my son, I don't have that luxury.

We looked at two daycare providers. Both were home-based. That's all we looked at. The first one—I believe it was somewhat questionable whether it was operating under legal means or not. The second one, which we chose, is quite amazing. She's awesome. She's five minutes from home, and she's quite affordable.

I believe the issue with Bill 10 isn't that child care needs to be modernized but that it is not addressing the issues. We've lost four young children in the last little while, which is why Bill 10 is being brought up. Unfortunately, anyone who is operating a daycare centre illegally right now, operating as a daycare home where you're supposed to only have five children and you have 10 or 15 or 20—whatever the case may be—will continue to do so whether Bill 10 is introduced. Unless the parents rise up and start yelling and screaming and swearing, nothing will happen until another child is seriously injured or unfortunately passes away.

I believe that what Bill 10 needs to do is—we need to go back and put the power back with the parents. Why isn't there a package included on the day of birth: "This is what you need to know, as a parent, when you go back into the workforce, whether you are using a relative, an independent child care provider or a daycare centre. This is what you need to know. This is what a good daycare centre looks like; this is what an illegal daycare looks like. This is what you need to do." A lot of people don't

know that. A lot of people don't know where to go to know that.

I have the advantage that I look at everything. I question everything. I have that advantage. My son has that advantage, my daughter—everyone in my life. Bring something up; I will question everything.

Independent home child providers, in my experience, are safe. They're passionate about what they do. They deserve to be recognized. Using an organization similar to the Coalition of Independent Childcare Providers of Ontario would be a great opportunity to create a framework to register them—that I, as a parent, and the government can go to to create that network where people can find out where the best of the best is and use them.

Adverse changes that I see Bill 10 bringing out is that my daycare costs—say they're \$35 a day—could easily go to \$60. I might be able to afford that; a lot of people can't. A lot of people are working part-time at \$11 an hour. I can't see them affording that.

Providers will get out of the business. I've talked to many providers in the last couple of months about this. They're like, "Do we go look for a job? Do we look at different avenues for our income?" Because these are small business people. They have the right to conduct business in a legal manner, which 90% of them do—and then the parents, at the risk of losing spaces, risk losing their income.

I have a benefit where I work weekends, so there are two days when I can actually watch my son. Since all-day kindergarten has come out, independent child cares have limited to about four years old the age of children for day-long care. They're in kindergarten all day, and they only have them for maybe an hour or two before and an hour or two after, until the parents get out, which makes me wonder if two-under-two is viable, because you're taking away the possibility for a daycare provider to have a child to take care of.

I also read that the additional child that joining an agency provides—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Larry Storm:** —the income raised by the sixth child will be cancelled out by the fees that an agency will charge, so there's no net benefit to going to a sixth child being unlicensed, rather than going to an agency and getting that sixth child.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Storm.

Questions go first to the opposition.

**Mr. Garfield Dunlop:** Thank you for your presentation. I just want to ask you a quick question. Obviously, you support independent daycare providers. I've talked to a number of them, and clearly they have no problem with some kind of registry. Many of them would welcome some kind of licensing system and the oversight.

My concern is with all this talk about safety; we all know that the people in the Ministry of Education who created this bill are the same people who didn't provide



the oversight for some of the deaths that have happened, and they didn't respond to complaints. But I'd like to get clarification at some point: When we're talking about oversight, about someone going around inspecting either a home or an agency, who is paying for that?

**Mr. Larry Storm:** The taxpayer. But I'd like to say that I inspect it every day when I drop off my son and pick him up.

**Mr. Garfield Dunlop:** But the government is talking about more enforcement, so they don't count you as an inspector.

**Mr. Larry Storm:** They should. They really should.

**Mr. Garfield Dunlop:** My personal opinion is that this is going to get downloaded to the boards of education and there won't be any more money in the budgets of the boards of education. That's how I feel, and I'd be interested in a response from anybody, either in the third party or the government, if I could have a clarification on that. Someone has to pay for the enforcement, because we certainly don't have a lot of enforcement today.

**Mr. Larry Storm:** At some point, money will have to come from somewhere.

**Mr. Garfield Dunlop:** Yes. That's all my comments.

**The Chair (Mr. Peter Tabuns):** Other questions from the opposition? No.

The third party: Ms. Taylor.

**Miss Monique Taylor:** Thank you so much for being here today and for being a parent getting up the nerve to come here and present today. That can't be easy for you to do, and I congratulate you. I think it's a wonderful thing that you're here today on behalf of parents in this province.

**Mr. Larry Storm:** Thank you.

**Miss Monique Taylor:** When I hear you speak, I'm thinking about affordable child care; that every family should be able to afford child care. Do you believe it should be right across the board for everybody to be able to afford child care?

**Mr. Larry Storm:** In what regard? I know that I'm paying \$35 a day, which my wife and I can afford. I understand that there are programs, like the YMCA, that have affordable child care; that there are not-for-profit and charitable organizations that provide it. I didn't need to go and look for that. I'm lucky in that regard.

**Miss Monique Taylor:** So you're fortunate.

**Mr. Larry Storm:** But I'm sure that with the right direction, a parent can definitely find it.

**Miss Monique Taylor:** Well, yes. There are only so many spaces, though. Right? There are wait-lists—very long wait-lists—for affordable child care, which becomes a major problem for families.

If you were to be looking for child care in the future, would you think of looking to a registry, so that you could see whether that child care, unlicensed obviously, somebody in the neighbourhood—would you look there and say, "Who is there? Who can I count on? Do they have other things against them?" Would you use a tool like that?

**Mr. Larry Storm:** I was very lucky in finding the daycare provider we found. We will go and use her again, if space is available, when we have another child. I personally wouldn't need a registry, because going long-term, we will probably be able to use the same provider we have.

**Miss Monique Taylor:** Right. Would you be interested, though? You have this child care provider and you know she's great, but, "Hey, I wonder if there have ever been any complaints about that person." Would you be interested in looking at a registry to see if that person has marks against them previously or if people put great comments on about them? What would you think about a registry like that?

1540

**Mr. Larry Storm:** We did a Google search, and we found a lot. And a Facebook search—it all worked. We found stuff about both providers. We went with the one we did, and we were very fortunate with the one that we found.

**Miss Monique Taylor:** So I'm definitely hearing some great things that you and your family are doing. Do you think all families are doing these things, or do you think there needs to be—

**Mr. Larry Storm:** Of course not. I really believe that I'm unique.

**Miss Monique Taylor:** Do you think there need to be more tools for families to be able to use for good, safe child care?

**Mr. Larry Storm:** Like I said in my presentation, I believe that a package should be presented when the child is born: "Here's what you need to know. Hold onto it. Here are the resources you need. You are the parent."

**Miss Monique Taylor:** It sounds like a great idea. I doubt it's going to happen, but it sounds like a great idea. Hopefully they'll come on board with you. Thanks for coming today.

**Mr. Larry Storm:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. To the government: Mrs. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much. When you get that package, right away, would you also get them to write a chapbook on how to look after children and what each cry means without speaking English?

**Mr. Larry Storm:** You know—

**Mrs. Kathryn McGarry:** I am teasing.

**Mr. Larry Storm:** —I've been very lucky. Do you know what? I'll be honest with you: I was terrified when my daughter was born.

**Mrs. Kathryn McGarry:** Oh, yes.

**Mr. Larry Storm:** But there's nothing better than being a parent.

**Mrs. Kathryn McGarry:** I hear your passion, and I just so relate. Thank you so much for bringing that to the table today. But I've always wanted that playbook that says, "What does that mean?"

Anyway, I just wanted to address a couple of things, if you don't mind. I did hear the member opposite thinking that any complaints that come in about Bill 10, if it's

enacted, will go through a board of education. I just really wanted to be clear that this is Bill 10, the Child Care Modernization Act, 2014, and that is under the Ministry of Education, but it's not part of the boards of education. I just want you to be clear on that one.

I also just wanted to relate: I agree with you that the safety of the children is paramount. Some parents are better than others at asking questions and figuring out the credentials of the unlicensed providers that they're getting involved with. I've had superb luck with unlicensed, and hold to that. I just wanted you to be aware that the complaint system is already in place, and that's the Ombudsman of Ontario. Part of what Bill 10 is all about has been responding to the Ombudsman's report.

I also wanted you to be very clear that yes, we've had some recent deaths, but when we started to embark on the Child Care Modernization Act, we actually began this process early in 2012, before some of these issues had arisen most recently. Our government has always been very supportive of good child care and safe child care.

So I guess my question to you, just in the few moments that we have to wrap up, is: With the Ombudsman's report, do you believe that the Ombudsman and Bill 10 will increase child safety in licensed as well as unlicensed providers?

**Mr. Larry Storm:** In regard to a person like me who will continue to use an independent child care provider—

**Mrs. Kathryn McGarry:** I think any parent.

**Mr. Larry Storm:** —or any person?

**Mrs. Kathryn McGarry:** Yes.

**Mr. Larry Storm:** I believe that there is going to be a real risk regardless of whether a law comes out or not. There will be another tragedy. A person is going to operate an illegal child care centre whether or not this law is provided. They're doing it right now. Nothing has stopped them, and I do not think this legislation—what I have read—will satisfy that problem.

**Mrs. Kathryn McGarry:** What do you think would?

**Mr. Larry Storm:** Make it a criminal act to have more beyond what is required in a home-based daycare centre. There should be five children: two under two or three under three. If you have more than five, then the parent has to start asking questions: "Is it there just for a couple of hours?"—

**The Chair (Mr. Peter Tabuns):** Mr. Storm? I'm sorry. Thank you for your comments. We have to go on to the next person.

**Mr. Larry Storm:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much for coming down today.

#### ONTARIO COALITION FOR BETTER CHILD CARE

**The Chair (Mr. Peter Tabuns):** The next presenter was going to be Kawartha Child Care Services; they weren't able to make it.

Ontario Coalition for Better Child Care: if you'd have a seat and introduce yourself for Hansard.

**Ms. Carolyn Ferns:** Hello. It's a pleasure to be here to speak with you today. Thank you for this opportunity to speak with the committee on this important bill.

**The Chair (Mr. Peter Tabuns):** Your name, please?

**Ms. Carolyn Ferns:** My name is Carolyn Ferns, and I'm speaking on behalf of the Ontario Coalition for Better Child Care and our nearly 700 members.

Like some of my colleagues here today who have already spoken, I have just returned from the ChildCare 2020 national conference in Winnipeg, aimed at putting child care back on the national agenda. While at the conference, I seized upon the opportunity to discuss Bill 10 with scores of Ontarians attending the conference: researchers, policy experts, parents, child care providers, politicians and trade unionists.

While I cannot say that we saw eye to eye on every aspect of this complex bill, there were several areas of broad consensus. It is four of those that I would like to highlight for you today.

Number one is protective measures. The Ombudsman's recent report, *Careless About Child Care*, makes clear the need for concerted action to address issues related to unregulated care. There is broad support among our members and the child care community for the many protective measures provided for in Bill 10. We would also urge the government to go further in some areas, including enshrining the government's new dedicated enforcement unit into the legislation.

There also remain exemptions around the care provided for school-aged children. We ask that the government remove these exemptions and recognize the important role that before- and after-school programs play in the life of a child who may spend as many hours in these programs as they do in school.

Number two is children with disabilities. It is our position that there needs to be a strong equity statement that particularly pertains to children with disabilities. Sadly, we know that children are too often turned away from child care programs that cannot or do not think they can accommodate these children's extra support needs. The Ontario Human Rights Code does not, in practice, protect these children and their families and guarantee them access to regulated child care. This legislation provides a monumental opportunity to mandate the inclusion of young children with disabilities in regulated child care. We, therefore, recommend that the Ontario government craft a strong and inclusive equity statement, similar to that in the Education Act, that enshrines the inclusion and acceptance of all children.

A third point is on the charging of fees by school boards. Schedule 4, number 2, begins to address issues around overcharging by school boards to child care programs located in schools. This has been a major concern for some small, non-profit programs in schools, a concern that threatens the viability of those programs. It is our position that the legislation should go further to stop charges to non-profit centres located in schools.

Number four moves beyond Bill 10. Everybody I've spoken to about this bill says that Bill 10 must be the



beginning and not the end of the government's work on child care. We support the call from our friends at QELN that there needs to be a minister's round table on the regulations that follow this bill. As we saw last year, there was deep and widespread concern in the child care community that last year's one-way comment process on the proposed changes to regulation 262 was inadequate. We believe that convening a minister's round table that provides broad representation from the child care community would fulfill the open government approach this government has committed itself to, and it would ensure the full consultation with the child care community that is needed.

We support the call for a workforce strategy by the Association of Early Childhood Educators of Ontario and others to address the long-standing issues of recruitment, retention and compensation facing the Ontario child care workforce.

We call for a moratorium on the licensing of for-profit child care, a position we have long held, as a first step to moving toward a more publicly managed system with public and not-for-profit delivery.

Finally, we urge the Ontario government to move immediately to the development of a comprehensive child care system in this province. As Martha Friendly and I wrote in an article, which you should have before you, in the *Toronto Star*, "Ontario desperately needs a comprehensive system based on the principles of universal entitlement, high quality and comprehensiveness. It will require not only vision and a well-designed policy framework with long-term goals, targets and timetables, but also political will and ongoing sustained funding. And now is the time to start...."

"With child care finally back on the national agenda, there's no time like the present for the Ontario government to regain its leadership to move toward a real system of quality child care."

Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much. I believe we start with the NDP on this round.

**Miss Monique Taylor:** Thank you for being here with us today. Bill 10 includes a provision to permit two providers to care for up to 12 children, including four infants. Reducing quality seems like the wrong way to increase child care spaces. In your view, should the committee remove that provision from this bill?

**Ms. Carolyn Ferns:** I believe that that provision—the language in it says, "if the regulations so provide." I believe that it may have been around circumstances such as rural child care, where more flexibility may be needed.

I think that it's not something that I would want—the group family child care model to be allowed blanket across the province. It could be strengthened to make it clear in what situations that might be appropriate. But, overall, I wouldn't support the group family child care model.

1550

**Miss Monique Taylor:** Okay. You talked about full consultation with all people in this province who deal in

the child care sector. What are your feelings over the folks who are unlicensed and them not being at the table when producing this bill?

**Ms. Carolyn Ferns:** I think the debate around this bill has been framed in such a way that pits regulated and unregulated child care providers against one another, and I really dispute that. I do not see unregulated providers as my enemies, certainly, or those of families. I think this is about doing what is fair and what is best for our children.

As you might see in the article that I wrote, I think that if the government wants to encourage unregulated providers to join the regulated sector, they could do things to make that work—better compensated and better for the people providing it. That's the way I think it should really go. Make family child care a job worth doing, and worth doing well.

**Miss Monique Taylor:** Very good. Federal New Democrats have proposed a \$15 all-day child care. What are your thoughts on that?

**Ms. Carolyn Ferns:** Absolutely. There was strong support, I've got to say—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Carolyn Ferns:** —on that move. We saw that from everybody, and we're certainly looking forward to see what the other parties might put forward on that.

**Miss Monique Taylor:** Well, let's hope they support it and that it moves forward.

**Ms. Carolyn Ferns:** Absolutely.

**Miss Monique Taylor:** All families, I'm sure, in this province would appreciate it. Thanks so much.

**The Chair (Mr. Peter Tabuns):** Okay. Thank you. The government: Mr. Crack?

**Mr. Grant Crack:** Thank you very much for coming. Do you have extra copies of your remarks or could you leave them for us?

**Ms. Carolyn Ferns:** Of my remarks? No. But I can certainly leave them, and I gave the Clerk a copy of the article that I was referring to.

**Mr. Grant Crack:** I know they're going to be in Hansard, but I just thought you'd made some interesting points.

You talked about a moratorium. Could you explain a little bit what you mean by that?

**Ms. Carolyn Ferns:** The coalition's position is that, moving forward, there should not be licensing of for-profit child care. This is an issue to address quality. I think research as long as our arm has shown that high-quality child care is most often provided in public and not-for-profit services. Our position is that we could grandfather existing for-profit services, but that moving forward, all licensing should be to public and not-for-profit child care.

**Mr. Grant Crack:** Okay. Thank you. Also, you mentioned a minister's round table. I'm sure you're well aware that as this bill moves forward, and if it passes in the House and the regulations are created, there's going to be a series of consultations across the province and with different stakeholders. You mentioned broad

representation. What do you hope to accomplish with another minister's round table?

**Ms. Carolyn Ferns:** That recommendation came out, as I mentioned briefly, of last year's one-way comment process on regulation 262. The regulation was posted online and we had a 30-day comment process to get submissions in and we weren't going to hear back about what might be happening there. That caused, I would say, pandemonium in the child care community, and we all got our submissions in as quickly as we could. But there was definitely the thought that there needs to be more than that. So the thought came forward that we should have a minister's round table, where there is representation from child care, child care workers, organizations, researchers, parents, certainly, on how best to move those regulations forward and how to shape them.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. Grant Crack:** So you're saying that the round table could be part of—

**Ms. Carolyn Ferns:** It certainly should be part of a larger process. We think that Bill 10, as I said, should be the beginning, not the end, of the government's work on child care, and that putting forward a real policy framework that sets out the principles of universal entitlement, of high-quality provision—things like these are really where we need to be going.

**Mr. Grant Crack:** Thank you very much, Mr. Chair.

**The Chair (Mr. Peter Tabuns):** Thank you very much. To the opposition. Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much. I was happy to hear you say that the unregulated are not the enemy, that we're all in this for the good of the children, which is really the top priority. They're our most precious resource.

But I picked up on the comment made by the parliamentary assistant, in that there would be round tables on regulations. I will be very interested to see how that would actually—because this bill is being rushed through now. Obviously, the government wants this passed, probably by the end of this month, not even at the time we recess. But I'll be very interested to see who's invited to participate in those round tables as we create regulations. I would hope, and I want to put it on the record here today, that all the stakeholders that have shown an interest in coming to these meetings—because they haven't had a chance to travel this bill anywhere else in the province, except here today and tomorrow—I would hope that all stakeholders would have an opportunity to be part of those regulatory changes and the drafting of those regulations. I don't know if you have any comments on that. I hope it's not a one-sided type of round table and everyone would be included.

**Ms. Carolyn Ferns:** No, certainly not. I think people that I know in the regulated child care community share exactly the thought that I expressed to you: that unregulated caregivers are not our enemy and that we're interested in seeking common ground. But I think the Ombudsman's report makes clear the need in the bill to have these strong enforcement measures. I think that it should be a conversation that's ongoing, going forward.

**Mr. Garfield Dunlop:** If I could, just another quick question: With the enforcement measures, I'm curious as to what kind of a system would be set up, because clearly there's not enough enforcement now, according to what I'm hearing across the province. What type of agency or enforcement department would you see, and what part of—would it be run by the ministry?

**Ms. Carolyn Ferns:** Well, we're calling for the dedicated enforcement units that the government has introduced to be legislated so that it could not be removed on the whim of a future government. But I think that the Ombudsman's report makes clear that the Ministry of Education really did, I believe his word was, inherit a morass—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Carolyn Ferns:** —from the Ministry of Children and Youth Services and has been working, I believe—honestly, I do believe—quite hard to clean up that mess. The Ombudsman agrees in that. He made 113 recommendations. The government has already addressed 95 and has committed to addressing the rest. I think that it's an excellent bill in that way. We have strong support for it.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

**Ms. Carolyn Ferns:** Thank you very much.

## BOYS AND GIRLS CLUBS OF CANADA

**The Chair (Mr. Peter Tabuns):** Our next presenter, then: Boys and Girls Clubs of Canada. Good afternoon. If you could introduce yourself for Hansard.

**Mr. Duane Dahl:** Thank you. It's great to be here. My name is Duane Dahl, and I'm a regional director with Boys and Girls Clubs of Canada. As some of you know—and some of you actually have Boys and Girls Clubs in your communities as well—we're actually one of the largest operators and providers of programs for children and youth. We're also somewhat distinctly situated because we're a very large provider of both child care in the licensed sector as well as recreation programs.

What I'm here to talk to you about today is that we have tremendous support for an awful lot that's in Bill 10, but we also are very interested in some of the follow-up in terms of what's going to come out in regulation, and what some of the future along this path is going to be for the current government with regard to six- to 12-year-olds.

A lot of what has gone into the bill before you and a lot of what the previous legislation is based on is really grounded on a lot of the research on zero to six-year-olds. We provide services for zero to six in pretty much every location for Boys and Girls Clubs across the province and across the country. We have 23 different Boys and Girls Clubs in the province of Ontario right now. We serve more than 160 communities and over 110,000 children and youth every year. But we also see an awful lot of the six- to 12-year-olds in our populations. In some cases, that falls under the licensing regime, but in many other cases, we're providing programs sponsored by the Min-



istry of Tourism, Culture and Sport, in the case of the after-school program, as well as many other recreation programs.

We strongly believe, in addition to the legislation that's going forward, that we need to be moving a little further along the journey around what's developmentally appropriate for those ages. We also really strongly believe that, in addition to school-based programming—and school-based, whether it's child care or recreation—that programs that are offered for children and youth need to meet community needs, as well as tap into the assets and the strengths of individual communities. Boys and Girls Clubs operate in both of those spheres and domains in a variety of different settings.

1600

We strongly believe in high-quality programs, as you're hearing from many of our colleagues and counterparts and you'll continue to hear tomorrow. We use third-party standards such as High Five, who are also going to be making a deputation here tomorrow, as well as a very stringent set of internal operating standards that have third-party validation as well.

But we also believe that we need to be providing choice and opportunities for parents as well as for the children themselves. We need to be having the voice of those young people heard in terms of the structure of the program so that this is not just seen as a full extension of something similar to what they're doing during the day-time.

We really hang our hat on participant voice and participant choice. We believe that families need to be afforded that opportunity, and we need to make sure that these services are not priced out of the market so that they can remain available, affordable and accessible for families right across the province of Ontario.

I've brought along a copy—I believe it's been distributed. You can take a look to see the model of success that we use for Boys and Girls Clubs here in the province of Ontario and right across Canada. There are some common features that, again, are not unique to Boys and Girls Clubs, but that I think are crucially important to take into consideration through all programs and services that are being offered for young people in this province. So you look at respectful, inclusive and engaging environments. We really believe strongly in relationship building and mentoring at every step along the way and that that's something that agencies and staff people need to model, as well as community and family engagement.

This government has taken a very major step within the past number of years in extensive research on what is appropriate for the youth population in this province, and has developed reports such as Stepping Stones, which is an excellent developmental framework for youth going all the way up to the age of 25, as well as a follow-up piece, Stepping Up. You can sort of describe them as the ingredients list and the recipe in terms of what we need to do to create healthy, well-adjusted young people.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Duane Dahl:** One minute? There's also been similar work done over the years by this government and previous governments in the early years side of the equation. What's missing, however, and what we would like to call the government to action on, is a follow-up to this piece: a developmental framework for the six- to 12-year-olds, something that we can agree on as a community, as a province, as a government and as partners in this service delivery that's going to inform not only this bill and not only the work of the Ministry of Education, but similar to how the Stepping Up document cuts right across all ministries and all departments of government. We need that same degree of framework and that same degree of accountability to the best practices and the research that exists for six- to 12-year-olds.

**The Chair (Mr. Peter Tabuns):** Thank you. Our first questions, then, go to the government. Mr. Crack, you look like you're ready to ask.

**Mr. Grant Crack:** Thanks for coming—a very articulate presentation, and quite meaningful.

The Boys and Girls Clubs: Would I be correct in assuming they're mostly urban-centric?

**Mr. Duane Dahl:** No, not completely. We actually operate programs throughout Kawartha Lakes, in Pembroke and a number of different rural settings. Historically, they've tended to be located or have tended to be started in neighbourhoods that have either a lack of service or more complex needs and challenges, but those complex needs and challenges could also be people living in a rural community that don't have services as well.

**Mr. Grant Crack:** Okay. So how does Bill 10 play into the Boys and Girls Clubs? I'm a big supporter of recreational programs and that type of thing. I've always played sports all my life. It kept me out of trouble once in a while. Maybe you could just talk about the effect or the impact that Bill 10 is going to have on Boys and Girls Clubs.

**Mr. Duane Dahl:** Absolutely. So what we're really hoping comes out of this—that's clear in the report that you have in front of you—is some clarity and consistency. I will give an example that we—again, as operators of both licensed programs as well as authorized recreation programs, which will continue in the proposed bill—we are in some cases dealing with agents of the government that are having trouble distinguishing which is which. We're hearing different interpretations in different communities. So it may look different in Pembroke as opposed to in Regent Park, Toronto. What we really need is to have that playing field level, to know what's what in advance. We actually have it sometimes from one individual to the next. So clarity and consistency are important to us, as well as having the high-quality standards articulated.

For us, that inclusion and continued flexibility for authorized recreation providers is quite key and quite important. We would be very interested in continuing to work with the government beyond this, whether it's in terms of developing regulations or working with partners

such as Parks and Recreation Ontario and High Five, which we reference quite frequently in here, around some of those third-party standards for what that would look like.

**Mr. Grant Crack:** Thank you. Anyone else? Granville?

**The Chair (Mr. Peter Tabuns):** Mr. Anderson.

**Mr. Granville Anderson:** The Boys and Girls Clubs: You're referring to an age group that's generally six to 12? Or do you have kids under that age?

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. Duane Dahl:** We definitely have children under that age in our programs. Boys and Girls Clubs, in many communities, are the operators of Ontario Early Years Centres as well as licensed child care.

**Mr. Granville Anderson:** Is there a ratio within the club? Do you have your own ratio?

**Mr. Duane Dahl:** Absolutely. We go with the established best standards and best practices, and it's based on the ages of those young people. What we're trying to bring attention to is that just as there's a distinction between a one-and-a-half-year-old or 18-month-old and a four-year-old in a program, there's a strong distinction between a six-year-old, an eight-year-old, a 10-year-old and a 12-year-old. There are appropriate standards that do exist within that field.

**The Chair (Mr. Peter Tabuns):** Thank you. To the opposition.

**Mr. Garfield Dunlop:** A quick question, if I could just follow up on the Boys and Girls Clubs and the six- to 12-year-olds: How does that tie into other sporting organizations, like minor hockey or minor baseball, where you have thousands of children between the ages of six and 12 years of age?

**Mr. Duane Dahl:** Absolutely. Many of those programs that you're describing, or that come to mind there, are in fact, in many communities, operated by Boys and Girls Clubs. In a number of communities, in Hamilton and in Kingston, Boys and Girls Clubs operate learn-to-skate and versions of minor hockey programs as well as other sports leagues. But we also operate programs that look a bit different than that. An example that I use is the Ministry of Tourism, Culture and Sport's after-school program, where kids are involved in after-school activities around physical activity, healthy eating, academic success and learning engagement. That will take place on a daily basis for a limited number of hours every day.

We work quite closely with those other sports providers in some cases. We really believe that our expertise is relationships and environments. We may not necessarily always have the expertise for a particular sport or program, so we bring in or partner with groups that have that expertise so that we can leverage what we do best.

**Mr. Garfield Dunlop:** Are you saying that this bill is going to dramatically impact what you're doing? Or are you just here to keep an eye on it?

**Mr. Duane Dahl:** What we're suggesting is that we believe that this will—and we've had conversations with various folks in government as this has moved along. We

believe that the potential is there, based on the interpretation of what "authorized recreation provider" looks like, that that could change the playing field for what this does. We've received some assurances, informally, that that wouldn't, but we're really keen to make sure that continues to exist, as well as continues to have a high-quality moniker attached to it. We believe we can be part of the solution to that.

**Mr. Garfield Dunlop:** So you'd better be at that round table.

**Mr. Duane Dahl:** Thanks for the invitation.

**The Chair (Mr. Peter Tabuns):** Further questions? Ms. Martow?

**Mrs. Gila Martow:** I'll just quickly remind everybody that you said that we need to provide choice—I'm quoting you—and that you believe in community and family engagement as well as flexibility. What I would remind everybody is that child care doesn't just start when a child is dropped off at a babysitter or daycare facility, whether it's regulated or not. It starts the moment that child leaves its home. If a child has to be driven in a car for an hour rather than walk five minutes a block away, I think that that greatly diminishes the community engagement—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mrs. Gila Martow:** —as well as safety for the child. Would you agree? What are your thoughts?

**Mr. Duane Dahl:** We definitely agree that neighbourhood-based solutions and providing those choices and options in the community are key. That's going to look different in various communities, but we really believe that both the communities, as well as the parents and the child themselves, need to have some input.

**Mrs. Gila Martow:** So I repeat: neighbourhood-based. Thank you.

**The Chair (Mr. Peter Tabuns):** Ms. Taylor.

**Miss Monique Taylor:** Hi, Duane. How are you doing?

**Mr. Duane Dahl:** Nice to see you.

**Miss Monique Taylor:** Nice to see you too. Thanks for being here. Your being here has raised flags in my head, and questions, because I know the great work that goes on at our Kiwanis Boys and Girls Club in Hamilton. It may not be in my riding, but it's in my city. I know it well. I know the benefits that children get from your program.

Are there impacts in this bill that will affect the numbers of children that could come to your program? What's going to happen? What are you concerned about?

**Mr. Duane Dahl:** First, I just want to add that we do have a number of locations in your riding, so we'll have to get you out to visit. We're growing and expanding in Hamilton all the time.

Again, it comes back to the definition and interpretation—and that's why we want clarity and consistency—of that "authorized recreation provider" component.

**1610**

Our last recommendation that was in here is, again, around continuation—ideally, some permanent funding



for the Ministry of Tourism, Culture and Sport's after-school program, which we recognize in some communities looks to people like what, maybe, licensed child care would. So we appreciate the distinction and the goals and outcomes that we're trying to achieve within that program.

There are similar programs, which may not be funded through a ministry mechanism but are funded locally or through other manners, where we have experienced some conflicts—not in Hamilton, specifically, but in other jurisdictions—where, potentially, an overzealous licensing agent is looking at this to say, "Well, maybe this actually should be licensed child care." The challenge for us with that is, the regulations make an awful lot of sense when you're dealing with four-year-olds and two-year-olds and are very well thought out but may not necessarily be the most developmentally appropriate component for a 10-year-old or even an eight-year-old in a lot of cases. So we're trying to maintain the definition of quality, looking at it from a developmental lens, as well as the flexibility provided within authorized provider status.

**Miss Monique Taylor:** Okay. You'll have to excuse me, because when I think of Boys and Girls Clubs, my brain goes to Kiwanis automatically.

Do you have wait-lists for your programming now?

**Mr. Duane Dahl:** We do, at just about every Boys and Girls Club right across the province as well. The challenge sometimes can be financial in terms of providing that capacity, because again, we try to provide the programs either at no cost or low cost in all of those communities, so that cost is never a barrier, but also sometimes—

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**Mr. Duane Dahl:** —it is access to space and access to appropriate space based on that activity level, which, again, is different than what may be included in a licensing definition, because if we're doing physical activity or those types of programs, we may need a different type of space that's not as dependent on the ratio of window size to square footage.

**Miss Monique Taylor:** Great. Thanks again for being here today and for the clarification.

**Mr. Duane Dahl:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much. Our next—

**Mr. Grant Crack:** Chair, a point of order.

**The Chair (Mr. Peter Tabuns):** Yes, Mr. Crack.

**Mr. Grant Crack:** I just want to clarify—I know that my good friend from Simcoe North was indicating that perhaps the minister would be going on tour with round tables, but I was actually just asking the question—

**The Chair (Mr. Peter Tabuns):** That actually doesn't sound like a point of order.

**Mr. Grant Crack:** I just want to clarify the record so that it's not presumed that—

**The Chair (Mr. Peter Tabuns):** But it's not—

**Mr. Grant Crack:** —things are being said by me that weren't. Thank you very much, Mr. Chair.

*Interjections.*

**The Chair (Mr. Peter Tabuns):** Ladies and gentlemen. Mr. Crack, it's not a point of order.

## ONTARIO INSTITUTE FOR STUDIES IN EDUCATION

**The Chair (Mr. Peter Tabuns):** Our next presenter: Ontario Institute for Studies in Education. You have five minutes. If you'd introduce yourself for Hansard.

**Ms. Kerry McCuaig:** Thank you, Mr. Chair, members of the committee. I'm Kerry McCuaig. I am a policy fellow at the Atkinson Centre at the Ontario Institute for Studies in Education (U of T). It's one of 20 centres at the university. Our goal is to provide the best available research to inform public policy and educator practice.

Overall, we support the direction of this legislation. We think that it moves in some very important ways. We're encouraged by the swift action to curtail illegal child care provision. We note the enhanced role for the local service managers, but that could be heightened with some additional tools with not much effort. We're very pleased to see the expanded role of school boards in ensuring that children from the ages of six to 12 receive after-school programming.

We note with disappointment that there's nothing in the legislation around children with special needs, and we think that that should be addressed.

There are many parts of the bill that deal with ratios and staffing. We think that these more properly belong under a regulatory review—so holding off on passing those until there could be a regulatory review looking at the impact of what those might be.

In terms of changes to the Education Act, we would like to see the changes in this act that refer to education embedded in the Education Act in order that it recognizes the role that education is going to be playing in this area. We note that there is the same problem as there is in providing care for four- and five-year-olds: that school boards are not obligated to provide that care on non-school days. That does not make a child care program for parents who must work through the summer and during school holidays, so that should be addressed. We should note that that's really the way that it is in practice, that when boards provide before- and after-school programs for four- and five-year-olds, they do tend to operate on those non-school days. So it would be just a matter of putting that into legislation.

We are doing a major study right now on the impact of direct school board-delivered programs for children four and up, and what we find is that when school boards do this, because of the economy of scale, they are able to deliver more programming for less cost than what can be done in the community sector. The added advantage is that early childhood educators have stable jobs.

We do note around the area, around the provision of—the need to curtail the illegal child care operations, that what is in place is not onerous, that when you look at the number of children who can be in care in unlicensed

facilities, Ontario, next to Alberta, is the highest in the country. Every other jurisdiction has tighter controls on what happens there.

Ontario also has some of the loosest legislation when it comes to licensed family child care. Again, the numbers of children who can be in care are high. There aren't legislated requirements for training for staff. Again, that speaks to quality of what the programming is.

When we move into looking at the regional municipal service managers, most of that has been covered quite well—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Kerry McCuaig:** —in the act. We do note, however, that the Ontario Early Years Centres and the Parenting and Family Literacy Centres are still outside the mandate of the municipal management and planning, and that should be addressed.

Finally, as part of the review of regulations for staff training and ratios, we should be looking to that with a view that there should be minimum training standards for everybody who works in early childhood education, as a starting point to any discussions that will take place.

**The Chair (Mr. Peter Tabuns):** Thank you. The first questions go to the opposition.

**Mr. Garfield Dunlop:** Thank you very much for your presentation. So the summary of the recommendations you have—there are about 13 recommendations here altogether.

**Ms. Kerry McCuaig:** That's right.

**Mr. Garfield Dunlop:** Based on your studies, these are the recommendations that you would like to see implemented in Bill 10.

**Ms. Kerry McCuaig:** That's right.

**Mr. Garfield Dunlop:** Okay. So it will take a number of amendments at this point to do that.

**Ms. Kerry McCuaig:** These are small amendments. Many of them are in place. Like you said, we agree with the general direction that the act is going in, adding the DACs and the OEYCs to—really, it's a matter of clarifying who the municipalities should be responsible for in their planning. Making the changes around the education system would really be just putting in place things that are already taking place in practice.

**Mr. Garfield Dunlop:** Yes. I'm going back to something I've been mentioning a few times today. I'm concerned about when changes like you have asked for in some of your recommendations, like who's looking after—what part of the municipality or what division. I'm concerned about who is going to be expected to pay for the enforcement. We understand it won't be the school boards. That was made clear a little earlier by one of the members of the government. But there will be a fairly substantial increase in the number of enforcement people required to enforce Bill 10 the way the government is mentioning. I'm saying, who will that—would you be able to tell me, would that be a municipal responsibility that will be sort of downloaded to them, or will that be people from the Ministry of Children and Youth

Services? I'm just trying to get a clarification around that: Who will actually cover that? I'd also like to know what the estimated cost of that is. Because it's easy to pass all these bills, but someone has got to pay for the enforcement.

**Ms. Kerry McCuaig:** I think that the way that the bill is written, it increases the penalties for the illegal operation of child care. It's not calling for more people out in the field to enforce it. The penalties themselves become the enforcement. And the penalties need to be heavy in order so that they do act as an enforcement. Right now, the penalties are so minor that it's the cost of doing business for people who want to run programs this way.

**1620**

In terms of enforcement, that now sits with the Ministry of Education. The idea of giving the municipalities broader powers in order to plan and manage, though, provides an oversight which is involved in what they are already doing.

**Mrs. Gila Martow:** I'll just comment. I just want to say that it's a big enough penalty when a child dies in somebody's home and all the other providers see that, and I don't think there is any sum of money that could possibly deter people more than that. So think that sort of speaks to penalties.

I think that we need to have enforcement of any bill that goes through. There's no point having all this time and effort and all these wonderful people come out if, then, they see the legislation isn't enforced.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Martow. Next—

**Ms. Kerry McCuaig:** Just to point out that there is more enforcement of a hot dog stand than there is of unlicensed child care.

**The Chair (Mr. Peter Tabuns):** Excuse me, Ms. McCuaig. You're out of order.

**Ms. Kerry McCuaig:** Sorry.

**Mr. Peter Tabuns:** Ms. Taylor.

**Miss Monique Taylor:** Thank you. I might as well go on the same line of questioning when it comes to enforcement and regulation. You're absolutely right. I believe there was \$1,500, maybe—I wish I could find the notes to have the exact numbers—yes, there it is. There were 289 complaints in the year of the death of Eva Ravikovich and only one fine of \$1,500. I concur that if we had larger fines and penalties, we would have more money in the fund, but the reality of the fact is that the ministry didn't do their job, and they didn't adhere and inspect into the complaints that were already there.

The new enforcement officers that are going to be hired are a total of six. Do you believe that's going to be enough to enforce all of the new regulations?

**Ms. Kerry McCuaig:** It's not enough; it's a good start. But let's remember that this last inquest is the fourth inquest in 30 years, and as many deaths have taken place in illegal child care programs, so this is something that needs some urgency behind it.

I think that what you'll see is that if there was knowledge that the penalties were very great for running



the kinds of programs where an inspector comes around and you hide the kids in the basement—

**Miss Monique Taylor:** For sure, if there was teeth—which hopefully there will be enough teeth in this. But regardless of the fact, there are still going to be unscrupulous people in this province, in this country, that are going to try to beat the system, and without enough enforcement and without a government that's going to be accountable to making sure that the enforcement is done, we're going to be doing all of this work for naught, because we will still have illegal child care providers happening.

I see here that one of your recommendations—I circled it—I believe it was recommendation number 9, “Maintain the number of children cared for by a provider with a licensed home child care agency to five.”

**Ms. Kerry McCuaig:** Right.

**Miss Monique Taylor:** Right, because really, increasing the number of children is not going to be to the safety of our children. Do you believe it is?

**Ms. Kerry McCuaig:** I think that it's a major health and safety problem.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**Miss Monique Taylor:** You can finish. Go ahead, use my time.

**Ms. Kerry McCuaig:** It's a major health and safety problem. It, again, puts Ontario at the high end of children that are allowed even in regulated child care. It's not an incentive for providers to move out of the illegal underground system into the current system. I think if we wanted to do that, we would fund the child care agencies, because right now, family daycare providers are the only providers that have to pay for their own oversight.

**The Chair (Mr. Peter Tabuns):** Thank you.

**Miss Monique Taylor:** Thank you.

**The Chair (Mr. Peter Tabuns):** We have to go on to the government. Sorry.

Ms. Mangat.

**Mrs. Amrit Mangat:** Thank you, Kerry, for being here. The legislation addresses concerns that affect every working parent in Ontario. I hear from the parents in my riding, and I'm sure all members on this committee hear about this.

My question is about the safety and security of children, because I believe that one death is one too many. This bill is about increasing safety and oversight. Can you tell us how this bill increases and enhances and improves the safety of our children?

**Ms. Kerry McCuaig:** It gives enforcement a big stick to go after illegal providers with, so that provides a chill factor in the community. By increasing the number of inspectors, that provides some care, but it's not enough.

It's unlikely that we're going to be able to modify this sort of behaviour simply through inspection. We're going to have to have some sort of public education campaign which lets both parents and the public know that it's not okay to have 17 kids in somebody's basement, even if their teenaged daughter is helping them out, right? It's

those kinds of things where we'll begin to see a difference.

But all the penalties in the world, we have to note, don't make any difference if there's not enough regulated child care. There has been one death in regulated child care. That was one death too many, but in comparison, child care is one of the safest places for a kid to be. By actually bumping up the numbers of regulated child care spaces, that's really what's going to benefit our children. We have to think of benefiting our children more than just keeping them safe. This is supposed to be a developmental program; it's supposed to really change their life outcomes. It's more than just a safe place to put kids. That's the other part of the legislation that's being looked at, where those real quality factors are being looked at, which I think is important.

**Mrs. Amrit Mangat:** Earlier you made a comment about hot dogs. I didn't get it.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**Mrs. Amrit Mangat:** What do you mean by that?

**Ms. Kerry McCuaig:** That there are more regulations for a hot dog vendor than there are for the thousands of places that small children spend their days.

**Mrs. Amrit Mangat:** Okay. Thank you.

**The Chair (Mr. Peter Tabuns):** Any other questions? No? Thank you very much for the presentation. I appreciate it.

**Ms. Kerry McCuaig:** Thank you.

## HOME CHILD CARE ASSOCIATION OF ONTARIO

**The Chair (Mr. Peter Tabuns):** Our next presenter, then: Home Child Care Association of Ontario. You've been sitting here long enough; you know you—

*Interjection.*

**The Chair (Mr. Peter Tabuns):** Welcome to our world. Yes, you have five minutes. Please introduce yourself for Hansard.

**Ms. Marni Flaherty:** Absolutely. Good afternoon, my name is Marni Flaherty and this is my colleague Ann Craig-Howarth. We're here today on behalf of the Home Child Care Association of Ontario. We appreciate the opportunity to speak to you about the vital piece of proposed legislation, the Child Care Modernization Act.

In the five minutes I have to address you, I'd like to tell you about the role of the association, which is also known as HCCAO, why we enthusiastically support Bill 10, and suggest a few key recommendations for enhancing Bill 10 to address our specific concerns around home child care.

HCCAO was formed in 1983 to support caregivers and agencies which provide licensed home child care to families in this province. Our membership currently includes more than 70 agencies that care for more than 80,000 children in homes across Ontario.

I'd like to take one moment to explain to the committee the background for our specific focus in regard to Bill

10. There are two types of home child care in Ontario: unregulated child care and regulated home child care.

Firstly, I'm going to speak to you about regulated home child care, which is part of the licensed child care system under the old Day Nurseries Act. Under this system, home child care providers are affiliated with an agency in their community which holds the licence. The agency professionals oversee home child care by providing education, training as well as regular, unannounced visits to the home, to ensure that quality care is being provided and that health and safety are being met.

The agency also works with parents to ensure access to subsidies through municipal programs to ensure all families, regardless of financial status, have access to safe, quality, licensed child care.

I'm sure that the committee members are well aware, as we know today, that there have been four recent tragic deaths of children in unlicensed home child care in Ontario. The Ombudsman recently released his report urging the government to replace outdated legislation with new, more robust rules regarding the care of children. That legislation is Bill 10, and I'm pleased to say that the association strongly supports the new bill that will provide greater protection for children, particularly in unlicensed care.

1630

While we support Bill 10, we strongly urge the committee to implement two key changes: Number one, amend Bill 10 to limit home child care providers to care for no more than three children under the age of three. Today in Ontario, unregulated caregivers can have five babies plus any number of their own children to care for in their homes, and we feel this is wrong. This new bill would limit unregulated caregivers who call themselves independents to a maximum of five children, including their own children, under the age of six.

But the association is concerned that the bill, as currently written, would allow, for example, a caregiver to have two children under the age of two, like toddlers, and potentially three more children who are two years of age. Imagine, if you would, trying to safely care for five small children under the age of three. Now imagine if a fire broke out. We believe that Bill 10 must be amended to limit the number of children in home child care under the age of three. We urge you to consider what we are calling "three under three"; that is, no more than three children under the age of three.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Marni Flaherty:** Additionally, we recommend an amendment to Bill 10 that would ensure high-quality home child care to all children. We are recommending that the regulations specifically address qualifications and age ratios for licensed home child care providers to be permitted to care for more than five children.

In the upcoming days, you will hear from critics that this excellent new legislation will result in the loss of child care spaces, leaving families without care. That's simply not true, and I would urge the members of the

committee to focus on the benefits of modernization of child care and on the provision of high-quality and safe care for all children. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. Questions start with the third party. Miss Taylor.

**Miss Monique Taylor:** Thank you. Hi, Marni.

**Ms. Marni Flaherty:** Hi, Monique.

**Miss Monique Taylor:** Nice to see you.

**Ms. Marni Flaherty:** Thank you. Nice to see you.

**Miss Monique Taylor:** I'm seeing your recommendation here, "three under three." Is that for licensed and unlicensed?

**Ms. Marni Flaherty:** Yes.

**Miss Monique Taylor:** So across the board. I'm concerned about how a licensed provider can provide for six children and yet an unlicensed can only provide for six. Can you explain the rationale behind that, please?

**Ms. Marni Flaherty:** You mean for five?

**Miss Monique Taylor:** For five, sorry. So one can have six and one can have five because one has a licence and one doesn't, right?

**Ms. Marni Flaherty:** Well, one's under the licensed system, which is different than having a licence themselves. Further in our recommendations, you'll see that the only way they could have a sixth is if there were particular standards, qualifications. So we would have a caveat. It wouldn't be like a blanket; it would depend on the situation.

**Miss Monique Taylor:** Okay. So the numbers that have been tossed around for quite some time since Bill 10 came to life are that 80% of our children are in an unlicensed setting. You say that we wouldn't lose any spots in the child care sector. How is that possible?

**Ms. Marni Flaherty:** I didn't say any spots. I was referring to the 140,000 spots.

I think if you look at our system from Best Start for the last 10 years, we have developed more spaces throughout the last years. We've had extended care. We've got kids in JK and SK programs. So things are shifting. I think it's safe to say that when this bill goes through, we'll be able to strengthen the licensed system in order to accommodate spaces.

**Miss Monique Taylor:** So is there a plan in the works to help the unlicensed sector get licensed?

**Ms. Marni Flaherty:** I would imagine the 70 agencies that are our members—we know that the Day Nurseries Act is archaic and we understand the problems of joining an agency, but we hope with modernization that we can create a system that's more flexible, where independent caregivers will feel comfortable coming on board.

**Miss Monique Taylor:** I know that you're in full support of Bill 10. Are there other things other than the three under three that you think would strengthen this bill?

**Ms. Marni Flaherty:** We're really looking forward to the opportunity to sit and hammer out regulations—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.



**Ms. Marni Flaherty:** Regulations are going to be the key to this bill. Let's get the legislation through and then let's talk about regulations.

**Miss Monique Taylor:** Great. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. Now to the government. Ms. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much for your presentation—very well thought out. You speak well for a lot of the issues that have been debated back and forth.

You've been in the room long enough to hear that there's a number of differences in terms of numbers of child care spaces, the number that is going to be lost, that 80% are unlicensed, those kinds of things.

I know that our government started on this bill back in 2012. The 80%, I'm just guessing, is also including a large number of children who are actually cared for not by unlicensed providers per se but by family—nannies, parents, cousins, sisters, that kind of thing—that really aren't included. So I'm not sure that 80% is really accurate when we're looking at spaces.

It interests me that you don't feel there is a huge loss of child care spaces, like the 140,000 that's being bandied about. Could you explain where you feel your numbers come from on that?

**Ms. Marni Flaherty:** Well, in the organization that I run, we also run child care centres, and there has been a huge expansion of before- and after-school programs. Through the four- and five-year-old rollout for kindergarten, there has just been this evolution of more spaces in schools for before- and after-school programs. So that's one thing.

In the child care licence system, we have lost those four- and five-year-olds, so we're now retrofitting our programs to accommodate infants and toddlers. It's not perfect and we're not done, but there's an opportunity for us to get this right. If we put this bill together, I think the entire bill will speak to a lot of the stuff that's quite frustrating, to ensure that we have more spaces in this province.

**Mrs. Kathryn McGarry:** I think you speak to a transition that we've had to undergo as full-day junior and kindergarten has been rolled out across the province. Now that it is out there, we can certainly complete, I would hope, the kind of program changes that you need to occur.

The other thing that I was interested in was that there has been a lot of discussion about two under two being cared for in a home versus three under three. I think that's kind of an area where people tend to disagree. Can you explain why three under three might be better than two under two?

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**Ms. Marni Flaherty:** The association believes we should have two kids under two, three under three, and the other two or three would be older than the age of three.

**Mrs. Kathryn McGarry:** Okay. And you can see that working in both licensed and unlicensed providers?

**Ms. Marni Flaherty:** Yes.

**Mrs. Kathryn McGarry:** And you also feel that unlicensed providers should have some qualifications like first aid and safety training for infants and toddlers as well?

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. McGarry. We have to go to the opposition now. Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you for your comments here today.

Look, we've got a real conflict going on here with those 140,000 spaces. People have spoken on that on a number of occasions—and I've been at a number of rallies etc.—and that seems to be a fairly consistent number they're using.

I asked the minister in the House, if that's the wrong number, then what is the right number? How many child care spaces will actually be lost? You said there would be some loss. If it's not 140,000 lost child care spaces, how many would you say will be lost?

**Ms. Marni Flaherty:** The unregulated sector, hence unregulated, is pretty hard to count. Right? That's the short form.

When it comes to the stabilization and transformation of our licence system in Ontario, we're experiencing significant changes. So the rollout of kindergarten, the four- and five-year-olds all in full-day care, has really changed the face of child care.

It's too early to tell, but I think if we work together and strengthen this system, it's going to be a better system: community use of schools, community use of rec centres, putting licensed programs in them. Public and not-for-profit growth makes good sense to me, anyway.

**Mr. Garfield Dunlop:** If I can, Mr. Chair?

**The Chair (Mr. Peter Tabuns):** Yes, you have time.

**Mr. Garfield Dunlop:** What I've been told by a number of people, maybe a couple of hundred, just in conversations and piles of letters I've got here, is that the independent child care providers have no problem with oversight. They have no problem with some type of a registry. Some of them will say they have no problem with an actual licence.

I just hope that the numerous organizations that never got an opportunity to be here representing associations will be part of those round tables actually setting the regulations. I'd hate to see it all be your opinion and not have some—because you agree with the minister—

1640

**Ms. Marni Flaherty:** But I actually represent 70 agencies across the province. I am the president of the Home Child Care Association of Ontario; we're a not-for-profit charitable organization. They've asked me to come here today and have agreed on everything I've said.

**Mr. Garfield Dunlop:** And I agree, but I was with a group this morning that is saying that it's actually 140,000, and it could even be more spaces lost than that. So I just want to make sure that we are drafting these regulations—

**The Chair (Mr. Peter Tabuns):** Thirty seconds remaining.

**Mr. Garfield Dunlop:** It's a point I want to make clear because the parliamentary assistant said there would be minister's round tables on the drafting of the regulations.

**Mr. Grant Crack:** No.

**Mr. Garfield Dunlop:** Well, you said that. You're in Hansard saying that. I want to make sure that all the organizations that represent child care providers in Ontario get an opportunity to be part of the drafting of those regulations.

**The Chair (Mr. Peter Tabuns):** Okay. Thank you very much. Thank you for your presentation.

Our next presenter is Jane Bertrand. Jane, are you here? No.

### COLLEGE OF EARLY CHILDHOOD EDUCATORS

**The Chair (Mr. Peter Tabuns):** Okay, we have the College of Early Childhood Educators present. If you'd like to come forward, identify yourselves for Hansard, and you have five minutes, as you've seen.

**Ms. Lois Mahon:** Good afternoon. I'm Lois Mahon, the president of the council of the College of Early Childhood Educators, and this is Debbie Tarshis with me.

Bill 10 has a number of components. The College of ECE will restrict its comments to schedule 3, which is within our regulatory scope.

Schedule 3 contains amendments to our act, the ECE Act of 2007 governing our college, and those amendments are part of the statutory review required after five years. The council is generally very pleased with schedule 3 and we urge the committee to send it on to third reading with very limited changes.

Our college was created by that ECE Act. It's a young regulatory college, which came into being after years and years of advocacy from our profession for legislative recognition. Originally, we anticipated 25,000; we are happy to say we have recently achieved 52,000 certificates of registration.

The college, like many other regulatory colleges in Ontario, keeps a public register of registered early childhood educators, holds discipline hearings, and in some cases revokes membership where serious allegations are proven. The profession has ethical and professional standards enshrined in the bylaw of the college, and recently we've launched continuous professional learning for all of our members.

Schedule 3 has some very important amendments which the council of the College of ECE supports wholeheartedly. It will give the college authority through regulation to accredit post-secondary ECE programs. This is important. In most cases, eligibility for membership in the college rests on the completion of an ECE diploma. Having the authority, then, to accredit strengthens the consistent quality of education and training.

The schedule also gives clarity on the authority to mandate continuous professional learning through regulation. At the moment, our CPL program has been

launched with expectation only. Other professions have mandatory requirements for continuing competency. It's important for public confidence in our profession, as in any profession, to be assured that registered early childhood educators are staying current in their practice.

We are particularly pleased that the schedule closes loopholes and makes it clear that qualified persons working within the scope of practice must be registered. While employers are increasingly requiring their employees to register, there has been some misunderstanding about who must register to work and scope. It's important that qualified persons who work within the scope are accountable.

The college has a prosecutorial policy on mandatory revocation for sexual misconduct. We are very pleased to see that this is strengthened in this schedule.

There remain two areas of concern: first, a requirement in the schedule that our complaints committee decisions be made available to present and past employers. As I am sure you are aware, the complaints committee is a screening committee whose purpose is to review and investigate complaints and decide whether to refer allegations to discipline hearings. It's the council's view that dispositions of the complaints committee should be provided to employers when the committee makes a referral to a hearing of the discipline committee.

Secondly, the schedule includes a mandatory reporting requirement for employers to report anything to the college that they feel we should know. This opens the door for reports outside of our regulatory scope, which is restricted to professional misconduct, incompetence and incapacity. For example, employer-employee issues such as collective bargaining would not be the mandate of the college to consider. We suggest that these amendments be clarified.

The council of the college is generally very pleased with the amendments proposed in schedule 3. We have provided the committee with a written submission, which includes some suggested technical amendments. We urge the committee to send—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Lois Mahon:** —it to third reading with limited changes.

Thank you for your time today.

**The Chair (Mr. Peter Tabuns):** Thank you very much. The questions go to the government. Ms. McGarry?

**Mrs. Kathryn McGarry:** Thank you very much for your presentation. In terms of the overall impression of the bill, it seems to me that you're fairly supportive. Are there any amendments that we could make to Bill 10 that would strengthen the oversight and the safety of our children?

**Ms. Lois Mahon:** We would restrict, probably, our comments today to that which is within our mandate or our scope, except to say that we believe that a child care early learning system that's stable and regulated would



help our members and would help in achieving regulatory compliance all the way around.

**Mrs. Kathryn McGarry:** I know that there's been a lot of discussion in here and throughout the province about looking at the age of children who are being cared for by licensed and unlicensed folks. The two-under-two, three-under-three numbers are bandied about. Do you have any comment about what your preference would be or what you feel, as an organization, would be best—

**Ms. Lois Mahon:** While I can't speak to that specifically, I can tell you that we hold all of our members to a very high standard. That standard requires them to not only be cognizant of best practice, but also to ensure the health and safety of children. We would suggest that regulation that moves toward safety of children is something that we would be supportive of.

**Mrs. Kathryn McGarry:** When it comes to your members having to update and recertify and that kind of thing, can you speak to some of the things that you like your members to have in terms of certification and how often those certificates or that training has to be updated?

**Ms. Lois Mahon:** We are just in the process of implementing a continuous professional learning program, and we are happy about schedule 3 that will make that regulated. That continuous professional learning program is based on individual assessment of each of our members to our standards of practice. They would look through all of our standards in terms of their own practice, their own knowledge, their own skills, their own understanding. We would expect them to do an assessment of that practice and set subsequent goals—

**The Chair (Mr. Peter Tabuns):** You have 30 seconds remaining.

**Ms. Lois Mahon:** —and any number of educational requirements to meet those.

**Mrs. Kathryn McGarry:** Okay, so do you have any core programs—out of all the certification you would like to see for child care providers, what would be your top two or three priorities to make sure they have before they can care for our young children?

**Ms. Lois Mahon:** For those who are working within our scope of practice, we would want them to have a full diploma in early childhood education and all of the competencies that come with that.

**The Chair (Mr. Peter Tabuns):** Thank you. I'm sorry to say you're out of time. We'll go to the opposition now. Ms. Martow.

**Mrs. Gila Martow:** I think what concerns a lot of people is that it sounds like we're just mandating things, sort of like machines. I think we all know that sometimes it's easier to take care of three two-year-olds than one four-year-old if that four-year-old is a difficult child—this sort of fixation on the ages of the children when here we've rolled out all-day kindergarten, which, really, has made it more difficult for people to find older children for their daycare spots because the older children are now in all-day kindergarten.

If we're making it so strict, that lack of flexibility really makes it tough for a lot of parents. Here there's a

nice daycare a block from their home which has room now for one of their children but doesn't have room for both of their children because they have twin two-year-olds and this daycare already has one two-year-old who lives with the family and can't be booted out.

I'm just wondering if you could suggest any room for flexibility in this program. I think we all want children to be happy, close to home, and we want parents to feel that they have the flexibility. Maybe even there's some room for flexibility if there's one child who has to be dropped off early but is being picked up early, and then they're able to take an extra child whose parents maybe work afternoon and evening, and there's only going to be an overlap of an hour or two.

1650

You seem very knowledgeable. I just wonder if you could make any suggestions.

**Ms. Lois Mahon:** Well, within the scope of our regulatory college, we license or grant opportunity for individual registered early childhood educators to work within this scope. We have no authority or mandate over individual programs, whether they be licensed or not. Our scope is directed to the individual. We would expect those individuals, within our standards, to work collaboratively with parents and other professionals, providing holistic, seamless care for those children.

**Mrs. Gila Martow:** Yes. What I'm just suggesting is, within this bill, if you could suggest any room for flexibility or maneuvering in terms of your experience of managing child care.

**Ms. Lois Mahon:** I probably could, as a registered early childhood educator, but as I am here as the president of the College of Early Childhood Educators, I must restrict my answers, I think, to within our scope.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**Mrs. Gila Martow:** Okay. Well, I just want it to be on the record that I think it makes for a very long day if a child is turned away from a daycare spot near their home. We've all heard of kids who have to be put on buses because the school in their neighbourhood is full. We're hearing more of that in my riding since we brought out all-day kindergarten, because the kindergarten spots are taking away spots from grades 2 and 3, so now children in grades 2 and 3 are going on long bus rides to move further. What concerns me is the consequences.

Thank you.

**The Chair (Mr. Peter Tabuns):** Third party: Miss Taylor.

**Miss Monique Taylor:** Good afternoon. Thank you for being here with us today.

I've been here for a few hours now. I've heard a few presenters, and I'm hearing about the lack of tools, of requirements for extra wording, maybe, for children with special needs. What are the requirements of the ECE workers? What's going on for children with special needs? From your side, what's happening?

**Ms. Lois Mahon:** We take very seriously the importance of including all children, regardless of their

ability, within the scope of practice of any registered early childhood educators. We would expect that every RECE who is working with a child would be familiar with that child's development, would be familiar with screening tools that would identify if there had to be an interprofessional or interdisciplinary collaboration. We would expect that the early childhood educator would prescribe, in her practice, a program that would maximize the development of each and every child.

We certainly take an inclusive look and a holistic look at children, and we would want to be sure that no child would be left behind.

**Miss Monique Taylor:** But is there anything regulating them so that they have to have these courses, these educational tools to help them with children?

**Ms. Lois Mahon:** If you are going to be a member of our college, you must have, at minimum, a diploma from an Ontario community college in early childhood education or a degree from the recognized universities that we identify.

**Miss Monique Taylor:** How many of those diplomas include tools for children with disabilities?

**Ms. Lois Mahon:** We've been working with the Ministry of Training, Colleges and Universities about our standards and our expectations and building those standards and expectations into the competencies that are required for students who graduate from a two-year diploma. I think the other important thing is that we recognize and hold our members accountable to intercollaboration—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Lois Mahon:** —professional activities, so I think we're moving in the right direction.

**Miss Monique Taylor:** Thank you. It was stated here on the first page of your presentation that you hope that Bill 10 passes quickly into law. I can assure you that the government has time-allocated this entire bill and has stopped a lot of the province from being able to be a part of this process, so it is going to move fairly quickly. Hopefully we get it right.

**The Chair (Mr. Peter Tabuns):** Time is up on this. Thank you very much for your presentation today.

**Ms. Lois Mahon:** Thank you.

#### MS. JANE BERTRAND

**The Chair (Mr. Peter Tabuns):** Our next presenter is Jane Bertrand. Jane, you are ahead of time. You have five minutes. Please introduce yourself for Hansard.

**Ms. Jane Bertrand:** Okay. I'm Jane Bertrand. I'm an early childhood educator and have been for a few decades, and formerly was a professor in the early childhood education program at George Brown College. I'm now a sessional faculty member at OISE and attached to the Atkinson Centre there.

I do not have a formal presentation, and I'm probably going to be very brief. I have about three things to say.

First of all, I want to applaud this bill for the strength it puts in around bringing some level of safety to young

children who are in underground care across much of this province. I think this is badly needed, and the tragic events of a year ago certainly pointed to it and brought it to a head. I think there is some good infrastructure in place in this legislation that will take us a long way to ensuring that children are at least relatively safe and alive at the end of the day, and we really need to move in this direction. That's point number 1.

Point number 2: The other strength I see in this legislation is the requirement that school boards ensure that children up to age 12 have access to programs—out-of-school, after-school child care programs—and that the programs be provided. I think those are essential, and it makes sense to put the onus on the school boards to ensure that is happening.

Third, in terms of regulations: There is much to be talked about, about regulations, ratios, numbers of kids. I'd recommend getting the planks of the legislation in place and then have a regulatory review across the board. There needs to be work done in regulations and centre-based programs. The world has changed. Full-day kindergarten, as you pointed out, is now in place. We also have one-year parental leave. Neither of those was in place the last time anybody had any kind of serious look at regulations.

I will stop there.

**The Chair (Mr. Peter Tabuns):** We have three minutes of questions from each party, and we start with the opposition.

**Ms. Lisa MacLeod:** Thanks very much. I appreciate your coming in today.

I'm aware that you're a member of the Ontario Institute for Studies in Education. Is that true?

**Ms. Jane Bertrand:** Well, I was an adjunct faculty member, and I have a relationship with the Atkinson Centre; that's correct.

**Ms. Lisa MacLeod:** Okay. When they appeared before this committee, do you agree with what they had to say?

**Ms. Jane Bertrand:** You know, I have to be completely honest with you. I do not know what they said. It is not a full-time occupation for me. I'm teaching in the PhD early childhood cohort program and—

**Ms. Lisa MacLeod:** Would it be fair to say that what they said represents their organization and you would be part of that organization?

**Ms. Jane Bertrand:** Sorry, I am not—I have no idea.

**Ms. Lisa MacLeod:** Okay. The reason I bring this up is that we're now in time-allocated hearings. We, in the official opposition, have asked for public, province-wide hearings so there will be greater accessibility, given that child care is an emotional debate—trust me; I'm a mother, and I know—it is one that parents take very personally, and this will bring significant changes to child care in the province of Ontario.

That said, what is happening over the next two days is that many voices in child care have been eliminated from having their say on this bill. I'm going to mention three specifically: the Canadian Council of Montessori Admin-



istrators, the Association of Day Care Operators of Ontario and the Ontario Federation of Independent Schools. Those are quite significant voices. All will be impacted by this legislation and have not been able to attend here today, yet we see multiple voices from one organization appear before the committee.

That really concerns me, because we have three massive organizations in the province that have been shut out of the debate—they have been shut out of the hearings—and we are now time-allocating this so that it makes it almost impossible for people who don't live in downtown Toronto to appear before this committee—or if they are part of a lobby group, it makes it much easier. But certainly independent voices and those from organizations haven't been able to appear.

I just wanted to raise that, because I appreciate that you're here today, but I know that Kerry and Zeenat had spoken, and it just seems to me that if we're going to talk about child care in Ontario, every voice should be included. I'm happy to hear your response. I have nothing further to add.

1700

**Ms. Jane Bertrand:** Okay. Thank you.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Jane Bertrand:** I am only here representing myself. I was probably ill-advised to attach a relationship I have. I'm here because I've been in the field for 40 years, have worked in several major centres in child care and have taught in the program, and thought that, in and of itself, was of value.

**Ms. Lisa MacLeod:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you.

Third party, Miss Taylor.

**Miss Monique Taylor:** Hi. How are you?

**Ms. Jane Bertrand:** Fine, thanks.

**Miss Monique Taylor:** Good. Thank you for being here. Thank you for bringing your voice to this table.

You said that you applaud the level of safety measures that are going to be implemented in Bill 10 and how that will stop the underground child care system. What exactly do you mean by that? What measures are you happy to see?

**Ms. Jane Bertrand:** Well, I'm probably being overly optimistic about the power of it, but I think putting some parameters around what babysitters, home care providers who are unassociated with a regulated agency, can do is a first step, to put some limits on numbers and put some requirements in place, just as we do for all kinds of other services. I think that's a starting point of putting some—and I think that was the opinion of the recent review that came out, the report that came out that looked at what had happened and was quite damning but also recognized that there were some good steps forward.

**Miss Monique Taylor:** Right. I'm actually the MPP who called for the Ombudsman to do that report—

**Ms. Jane Bertrand:** Thank you.

**Miss Monique Taylor:** —because of the safety measures that weren't being followed. There was one rule for the government to follow when it came to unlicensed

child care, and they failed to do it. Now they have implemented an extra six inspectors across the province to be able to make up for what wasn't able to be done.

There were actually quotes from inspectors in the Ombudsman's report that said, "Please don't go looking for work because we already have too much that we can't do now." Right? They were inundated with just getting to licences, to be able to license already licensed providers. We had providers who hadn't been relicensed in over a year because of the lack of people to be able to do this job.

Do you think that an extra six inspectors is going to save children?

**Ms. Jane Bertrand:** No, but I think that's not the only measure that's proposed in the act. I think there are a number of others in the process around it, around what happens when there's a complaint. Those sorts of things, I think, will start to make a difference.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**Miss Monique Taylor:** We're still going to have unlicensed child care providers in this province. Even after this bill, we are still going to have those people. If we don't have the inspection, if we don't have the teeth and if we don't have the government to implement what's being put in front of them, we're still going to be put in the same position.

**Ms. Jane Bertrand:** I think this has to be one of several pieces. I agree with the comment made earlier: What we need is a full-fledged early childhood system with lots of options for families etc. I think this legislation is a strong step forward—

**Miss Monique Taylor:** Absolutely.

**Ms. Jane Bertrand:** —to put some boundaries on it, and that's what I—

**Miss Monique Taylor:** And 1946 was the last time—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Three minutes are over. Sorry. I came in the nick of time, didn't I?

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** All right. Thank you. I guess it will be Mrs. McGarry. Go ahead.

**Mrs. Kathryn McGarry:** Thank you very much for your submission, Jane.

As you're probably aware, the government started to look at modernizing child care back in 2012. There has been opportunity for hundreds of submissions that are still pouring in that are sitting over here that we've been inundated with, all of our offices, and we've been able to read through those submissions. It has been said that we're not consulting as a government throughout the province, but indeed there's still the opportunity for anybody to weigh in and call and write and email regarding this bill. So it's very important.

As a matter of fact, the Association of Day Care Operators of Ontario actually met with our government about the former bill, which was Bill 143, back on February 28 of this particular year to start discussing it. They've actually sat on our ministry's provincial and municipal working group which was created, really, to receive any advice and input on the now current Bill 10.

I know that child care has changed dramatically in the last three to four decades that we've been talking about. I started looking for daycare back in 1986, and I still have my child in daycare today, so I've sort of spanned those decades.

From your perspective as a researcher in child care and early years, can you tell us if this Bill 10 reflects up-to-date evidence and research on early childhood education?

**Ms. Jane Bertrand:** Broadly speaking, yes. There are limitations to how far you can go in legislation. You're putting the broad planks around. Then when you get into what's going to go on inside of programs, it's really the regulations that have to live within the structure you put in place, and that's why I think a regulatory review would be in order, looking at current research and taking into account full-day kindergarten here for four-year-olds and five-year-olds, one-year parental leave here for many. Not all, but many families are using it, and we've seen a shift on the ground when babies are coming into centres. All of that needs to be taken into account with a really good look at the regulations.

But regulations can change. They're much easier to adapt to current contexts and changing lives—what happens next with parental leave and all of that. Legislation is there for a long time. Somebody just pointed out 1946, which is absolutely accurate.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mrs. Kathryn McGarry:** It's time for that update, isn't it?

Do you have any comments about when all our regulations should be in place while we're going through Bill 10?

**Ms. Jane Bertrand:** I like everything to happen right away, so I'm very happy to see this legislation getting in place. The day after that, I think there should be an announcement about a process that involves government officials, people from the municipalities and experts—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I'm sorry, we'll have to leave it at that. Thank you.

MS. CYNTHIA CHESTER

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now like to call Cynthia Chester. Ms. Chester, you know that you have five minutes to present. Then there will be questions, starting with the NDP.

**Ms. Cynthia Chester:** Good afternoon. My name is Cynthia Chester. I'm a mother of three adult children, a grandparent of six, and I'm a taxpayer, a homeowner, a concerned citizen and a small business operator.

I started my home daycare with five full-time children 35 years ago. I've been working as an independent home daycare provider with all the necessary requirements, such as first aid, CPR, police clearance and home fire safety inspection, and I am continuously updating and attending various workshops, such as anaphylaxis and the food safety handler certificate to name a few.

I'm a member of various child care provider networks, including the Halton Child Care Providers Association, which meets monthly for the benefit of sharing information. HCCPA promotes and supports in-home daycares.

During this time, I have helped to co-parent hundreds of families, several of which I still keep in contact with today. I'd like to share a comment one of my daycare children made on my Facebook page when she learned I was here today. She is now 22 years of age. Victoria writes, "I want to be there! This is so amazing.... Love you! I spent 14 years in your care and I am so grateful for how you raised me." This is a powerful statement that explains the relationships and benefits of home daycares.

We daycare providers are smart, caring, educated women, some with ECE training, who want to give back to our communities by providing parents with options. My home is clean, organized, and safety is my number one concern. I am fortunate to have a designated daycare space which is bright, colourful and full of educational tools and learning opportunities to help entice their imagination. My program is play-based. A typical day can include music, storytime, age-appropriate crafts and lots of outdoor play in a large, wide-open space where they can run and explore.

At my daycare, parents have an open-door policy. They are my inspectors. They are accountable for their decisions and it's their duty to parent their children. My parents come from an array of professional careers. They are involved, smart, and very particular as to where they place their toddlers.

My clients are happy with no age restrictions because they want their children to grow within the same age group so that they can bond, make friendships, and become polite and smart little people.

As an independent daycare provider, I care for those children ages one through three and a half. As you know, we live in a grow-up-fast society, pushing our children to kindergarten at age four.

1710

It's my belief that a child's job is play, so let's do our job and make that happen, providing the opportunity for parents to have care when their mat leave is over at one year. That's where I come in. I'm a second home to bond and to nurture that child like my own. I am passionate about this and find it a privilege.

I oppose the bill as it's currently written because by reducing the ratios we will not ensure safety. This will cause a major daycare crisis for Ontario families and the ICP's market of two under two. Eighty percent of our children are with independent home daycare providers, and this will cut 140,000 daycare spaces. Bill 10 will drive the cost up by 40% with the restriction of two under two. Some providers may even have to close their doors. Furthermore, the Ombudsman's recommendation, in his report, had no restriction to age ratios for the independent daycare providers.

Bill 10 strips away parental choice and has a negative impact on our precious resources, our children.

I'm here today to ask the Liberal government to make this right. Amend Bill 10 as it is: five children under the



age of 10 with no age restrictions. These ratios have been shown, through research, to be perfectly safe. Further limiting numbers will not ensure safety, and yet cause a shortage of daycare spaces for toddlers and have a negative impact on women wishing to return to their careers.

Secondly, create a registry allowing parents to have that resource tool for independent licensing. This will allow the Minister of Education to monitor ICPs and limit unnecessary third-party involvement.

Lastly, health and safety standards across the board: mandatory first aid and CPR, vulnerable police check and fire home safety.

Let's all work together for the benefit of Ontario families and get this bill right.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. You were right at five minutes.

**Ms. Cynthia Chester:** Thank you. I tried my best.

**The Vice-Chair (M<sup>me</sup> France G  linas):** You did very well. I think we're starting with the PCs.

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** Oh, sorry, with the NDP.

**Mr. Peter Tabuns:** Thank you for coming here this afternoon. I appreciate it.

**Ms. Cynthia Chester:** You're very welcome.

**Mr. Peter Tabuns:** The research that you noted that showed that setting aside those age ratios would be perfectly safe—which research is this?

**Ms. Cynthia Chester:** The research that the CCPRN has done, the research that the Ombudsman has done—the deaths that have happened in home daycare were not, to my knowledge, more than one or two in an independent home daycare provider's home.

**Mr. Peter Tabuns:** Okay, so that's what you're citing. I'm a bit worried about the thought that there would be no age ratios. If you had five children under the age of one—

**Ms. Cynthia Chester:** I would never have five children under the age of one. The daycare children come to independent caregivers at approximately one year. That's when moms get off their mat leave and go back to work. Some of those moms have a lot of stress leaving their toddler and they don't want added stress by not having a space available to that child. That's where we come in. We fill the gap between the one-year-old and the three-year-old group, because not every family wants to go to centre care. That doesn't fit everybody.

**Mr. Peter Tabuns:** Would you say that five under the age of two would be a good ratio, would be an acceptable amount?

**Ms. Cynthia Chester:** Five under the age of two? I have worked for 35 years in a system that has worked. I am a professional caregiver and I take seriously the safety issues first. Generally speaking, in my home, I have somewhere between two or three children that are under two, and then those ones that I had that were one will graduate to their second birthday and oftentimes will stay on.

But restricting the age ratios does not ensure safety. What ensures safety is a registry letting us become independently licensed and having us monitored, having spot checks. We are all following the rules.

**Mr. Peter Tabuns:** Okay. I don't have further questions.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Crack?

**Mr. Grant Crack:** Ms. Chester, thank you very much for coming and thank you for being a great advocate on providing safe facilities and home care for our children.

I just wanted to make a few points. The American Academy of Pediatrics, the American Public Health Association, the National Resource Center for Health and Safety in Child Care and Early Education and the National Fire Protection Association are all saying that two under two is the way to go. And you're obviously opposed to that.

**Ms. Cynthia Chester:** Well, I have five families in my daycare currently who do not agree with that. Mr. Barrett has written a letter; I have attached that. It's parental choice. Parents have to be accountable for where they put their children.

**Mr. Grant Crack:** Okay. We've seen some instances where there are numerous children in different facilities. I think it is incumbent on the government to come up with something that's workable, in order to protect those who aren't able to find an appropriate daycare facility, such as yours, across the province. There are a number of them; we hear numbers of 17 to 24. How do you propose that we regulate those if you're saying there should be no restrictions?

**Ms. Cynthia Chester:** I'm saying that you let us become independently licensed. That way, we follow the guidelines and we have our safety checks and all of the qualifications you set forth for us by allowing us to become licensed.

**Mr. Grant Crack:** So you're saying that the government should be hands-off when it comes to child care?

**Ms. Cynthia Chester:** No, I'm not saying that. I've worked 35 years in this business, and I've never had one accident.

**Mr. Grant Crack:** Okay, but there have been other instances where there have been accidents.

**Ms. Cynthia Chester:** There have been in licensed care as well.

**Mr. Grant Crack:** Absolutely.

**Ms. Cynthia Chester:** The parents have to be accountable for where they drop their children off. If a home is not safe, I would know that in five minutes by entering that home. And I'm a parent. I've raised three children, and I've got six grandchildren. I have counselled all three of my adult kids on the facts about where to put their children. So I have no problem figuring out what is a safe environment. And any one of you here would know immediately, when you walked into a home, if the home was safe. You check the lady out; you look at her credentials.

**Mr. Grant Crack:** I appreciate what you're saying, but I think there are occasions, perhaps, when a parent

places a child in a certain facility and/or home thinking that it's going to be fine, and it doesn't end up that way. I think that we, as a government, are trying to take the steps and put in the necessary measures—

**Ms. Cynthia Chester:** Well, you're taking away parental choice is what you're doing.

**Mr. Grant Crack:** Well, okay. Thank you.

**Ms. Cynthia Chester:** You're welcome.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Sorry, I'm going to have to interrupt.

Mr. Dunlop?

**Mr. Garfield Dunlop:** Thank you very much. If changes aren't made to this bill, do you see businesses being driven underground?

**Ms. Cynthia Chester:** Absolutely.

**Mr. Garfield Dunlop:** That's what I see happening here. I think you've made a lot of really good points here this afternoon, and you've zeroed in on some of the numbers—140,000—which have become very controversial between the minister's office and some of the other stakeholders. But I see an opportunity here. If the government would make some amendments and listen to the ICPs, I think there's some real opportunities to get a registry put in place, a small licensing system put in place.

My problem now is that I keep hearing that only six people are going to be added to do the enforcement, and I just can't understand how they can possibly expect six people to enforce all the daycare spaces in Ontario. My God, they've got 100 people already at the College of Trades enforcing the tradespeople, and I'm not sure what they're even doing.

But I'm curious: Have you got any problem at all with someone coming to your place and looking at enforcement?

**Ms. Cynthia Chester:** Absolutely not.

**Mr. Garfield Dunlop:** And do your colleagues?

**Ms. Cynthia Chester:** None of them do. I don't know one poor provider. I live in Halton, and I belong to an association. They're fantastic ladies. They're smart, they're educated, and they want safety.

Not every parent thinks that centre care is fit for them. Personally, as a parent of 35 years—my oldest son is 35; he's a police officer in Toronto—I do not believe that all children at one year need to go to a centre that's licensed. There are lots of poor licensed daycares around. I've had letters—Mr. Barrett's letter. He put his oldest son in a centre. His youngest son is with me now. He said it's a night-and-day difference. I am not for that.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

#### HALTON CHILD CARE PROVIDERS ASSOCIATION

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I will now call Tracy Skelton and Joanne Hoole, executive committee member and chair, of the Halton Child Care Providers Association, Oakville chapter.

You have five minutes to present, and there will be a series of questions, starting with the Liberals.

**1720**

**Ms. Tracy Skelton:** Hello, my name is Tracy Skelton. I've been an independent child care provider for eight years. I'm on the executive committee of the HCCPA, Oakville chapter. Previously, I had a career as an executive assistant at a major media corporation. After I had my second child, I decided to change my career path and work with children, to become a child care provider. This gave me the additional benefit of being home to raise my own children as well as helping to raise others while earning an income and providing a much-needed service to the community.

The HCCPA Oakville is a support group for ICPs. We have monthly workshops related to child care and promote best practices in child care.

I have my police clearance, CPR and first aid training and food handler's certificate. I have had my home inspected by the health department and the fire department. I attend workshops regularly. I have a written contract for each client, and I keep up-to-date health records for each. I provide receipts, and I am insured. I take my job seriously, and so do the other members of the HCCPA, as well as ICPs across the province. I offer as much or more in my home-based child care as a provider would who is with an agency.

Home child care is about relationships, a bond between the provider, the child and the parents. In most cases, it is safe, high-quality care. All of the wonderful ICPs who comply with the rules should not be penalized with new restrictions because of the noncompliance of others.

The tragedies that have occurred have received widespread media attention. However, two children have died in licensed care and that has gone unnoticed by the media. None of the tragedies that occurred took place in the home of an ICP following the rule of no more than five children under the age of 10. They happened in situations operating blatantly outside of the law, and we agree that lawbreakers should be penalized. Those who abide by the law should not, however. Bill 10 will penalize complying ICPs.

The HCCPA Oakville proposes that the current rule of allowing five children under the age of 10 years old remain as it is, without the two-under-two age restriction or counting the provider's own children under age six, as Bill 10 currently proposes. The existing ratios are not the problem; the lack of oversight is. Further limiting the ages and number of children we can care for will not address the lack of oversight.

ICPs should be given the opportunity to be on a registry supported by the government, a registry which would require proof of police clearance as well as CPR and first aid training. This registry should also require the provider to open her home to regular inspections. Alternatively, licensing independent of a third-party agency would also be a solution, if the licensing was possible with the numbers ICPs are currently allowed: five children under age 10.



We would further suggest that agency providers be given the same number allowance to bring both agency providers and ICPs in alignment. The Ombudsman has made no recommendation in his report to further restrict the ratios of children in independent care. He has, however, recommended a registry of which HCCPA is in full support.

We would also suggest municipal support for the creation of community child care associations or networks. The HCCPA, for example, offers a referral service, a monthly newsletter, workshops and ongoing training and support for providers.

In addition, the clause in Bill 10 allowing for the government to modify age and number restrictions at any time should be removed, as the public should always be consulted when amendments to law occur.

ICPs have worked hard to develop the reputation within their community based on high standards of care and relationships with clients. We each offer a personalized service. This is often what is so appealing to parents. The ICP works closely with the parent in helping to raise their child.

Bill 10, while endeavouring to make child care safer, is still only relying on a report-based system, just as in the past. It does not propose any safety-strengthening measures or oversight, nor does it create a database of providers. There will be many providers who will have to terminate existing clients or not be able to fill spots due to age restrictions in Bill 10. This will create a child care shortage.

In addition, I would like to say that we would like Bill 10 to be able to travel, as requested by MPP Dunlop. In the end, we all want what is best for Ontario's children. Let's work together to make this happen—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Tracy Skelton:** —by amending Bill 10.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Did you want to add a few comments? You still have a few seconds on the clock.

**Ms. Joanne Hoole:** What she said.

**The Vice-Chair (M<sup>me</sup> France G  linas):** We're good? All right. I think we start with the Liberals.

**Mrs. Kathryn McGarry:** Thank you very much. I appreciate your coming today and speaking so passionately. As you are aware, there have been some differing viewpoints on Bill 10, but basically speaking, this bill is really about increasing safety and oversight for our young children. That's key and paramount here. We've heard other submissions that said this bill actually does address that, and we are responding to some of the Ombudsman reports.

But I also want to address the figure of 140,000 where unlicensed child care spaces will be lost. It's interesting that today Brian Platt is here from QP Briefing, reporting on this. He's here today and he did a bit of research regarding that loss of 140,000 spaces that we're hearing about. He stated that on news releases from the CICC and other groups opposing Bill 10, the 350,000 number is

sourced from the CCPRN. And yet Doreen Cowin, the CCPRN's CEO, who was here earlier, said that it has never done any studies to come up with that statistic. I think it's true: It's very difficult to try and figure out how many unlicensed providers we have.

He also goes on to say that at a basic level, to accept the 140,000 claim, you have to actually just accept the rough guess of two day care spaces lost per provider, but there's no realistic way to verify this estimate.

So I think it's very difficult to come up with that space. There have also been other changes—we've got the one-year mat leave; we've got junior and senior kindergarten now—that do some of the child care service provision that we didn't have a few years back. So it's difficult to come up with that.

I guess my question to you is this: If this bill is really about safety and protection of children and we're trying to address the Ombudsman's recommendations, where do you think this bill falls short of achieving that?

**Ms. Tracy Skelton:** Well, it's still relying on the neighbour to call in a complaint. In the case of—I don't want to mispronounce her last name—Eva from Vaughan, I've read two different numbers, but that was reported four or five times and the ministry went once.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds left.

**Ms. Tracy Skelton:** So I think there is a lack of oversight, and adding six new inspectors is not going to address that issue. I think we need a registry, and that would be a starting ground.

**Mrs. Kathryn McGarry:** I can certainly recognize that, but I also think it is incumbent upon us as parents, as neighbours, as folks in the community, to report the folks who have 17 to 20 children, which I've seen myself. I also have an emerg nurse and pediatric nurse background and I used to see some of those kids come in.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Ms. MacLeod.

**Ms. Lisa MacLeod:** Thanks very much. It's great that you were able to attend here today.

I want to say thank you to the independent child care providers of Ontario for showing up on their own dime from across Ontario with little resources. You're not government-funded. The ministry doesn't give you money. The Ministry of Children and Youth doesn't give you money. You came here all on your own with your own research and your own facts, your passion, and the parents who support you backing you up.

It's a bit rich for the member opposite from Cambridge to stand there and get notes from a ministry staffer about what a reporter from a small briefing unit here at Queen's Park is suggesting, so let me just tell them where these numbers come from.

The information that's provided suggests that there are 350,000 children in ICP care in Ontario, and that's ministry data; you can check it out yourself, Kathryn. Given that ICPs can care for up to five children, simple division calculates that there are approximately 70,000 ICPs in Ontario. If we assume an average loss of two

spaces per provider due to the inclusion of the provider's own children and the two-under-two ratio, guess what? It's simple math, and I know this government isn't big on it. That's 140,000 spaces. Don't take my word for it on the mathematical problems of your government: We've seen your budget. We've also seen the fact that your curriculum doesn't quite add up.

I'm going to defend some of these parents who have shown up here today who don't have big government lobby budgets, who are independent, who have taken time today to travel to downtown Toronto because this government refuses to travel.

I just wanted to be your defender here today, because I believe in choice in child care, I believe in the responsibility of parents, and I believe that you coming down here today showed an awful lot of courage. I'll stand up for you, and so will my colleague Garfield Dunlop. I think the next time the Liberals decide, when independent folks come in, that they need an armful of advisers passing them notes on how to respond on points of order or what have you—that's fine. We'll wait for this one to occur. But I just want to tell you to keep doing what you're doing. You've arranged a lot of rallies across the province. You have defended people who don't have a voice here today, and I want to say thank you for that, and just simply say, with the seconds we have left: What do you think the impact of this bill will be and where do you think the government is going with this bill?

**Ms. Tracy Skelton:** I think the impact is definitely going to be a shortage. There will be caregivers that are going to have to terminate spaces. There will be providers that will have to close their daycares. I think it's a shame that the majority of the population doesn't even know this is happening. There are parents out there that have no idea.

**Ms. Lisa MacLeod:** Do you think this is going towards a universal child care system?

**Ms. Tracy Skelton:** Yes, most definitely. I think the government wants to tell us how to look after our children. I think parents need to take accountability and do that for themselves.

**Ms. Lisa MacLeod:** In a growing place like Halton, where you have high growth and many demands, that's going to impact you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

**Ms. Tracy Skelton:** Thank you very much, Lisa.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Tabuns?

**Mr. Peter Tabuns:** Thank you both for coming in today. I know that getting in and out of Toronto at the best of times isn't great, so I appreciate you coming here.

I'm concerned about the number of children under age two and your rejection of that as a standard. How many children under the age of two should a provider be able to look after?

**Ms. Tracy Skelton:** I don't think there should be a specific limit. I think in many cases it's up to the provider and what they feel comfortable caring for. Everyone is different. The reality of running a home daycare is that your children are not going to all be five

children under two. That's just the reality. They don't all come in your door at the same time; there is a slight staggering. But the reality of care today is that mothers are looking for daycare when their child is one, and at age 3.8 to four years old they're off to kindergarten, so most of the children in care are fairly young, but they aren't all going to be under two. But we do need to make sure that we have some flexibility so that we can care for those children under two.

Most daycare centres don't even look at accepting children under 18 months, so when a mother is looking for daycare for their one-year-old and the child care centre down the street doesn't take a child until they're 18 months, where are they supposed to go?

**Mr. Peter Tabuns:** I think that's a very substantive question, but I'm also concerned about a caregiver in a situation where, let's say, something catches fire on the stove and they've got five kids under two—getting them out in time.

**Ms. Tracy Skelton:** I think it would be a lot more challenging to get 30 children out of a daycare centre when you've got two caregivers responsible for—I'm not even sure what the number is; 12? I don't know how many children. They've got to make sure that they've counted child A, B, C and D, and did somebody get the child out of the bathroom? We're looking after a much smaller ratio of children. We know where they are and we can get them out. We're not in a big facility.

**Mr. Peter Tabuns:** Thank you. I have no further questions.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** That concludes all of the list of deputants that we had for this afternoon. Thank you very much for being here, ladies.

For the members of the committee, we will now recess till 6:30.

I have to tell you that the Association of Early Childhood Educators of Ontario, which was scheduled for 6:30, has had to cancel. I suggest that we get back here at 6:30 anyway because there's a good chance that some of the other deputants that were scheduled for 6:45, 7 etc. will be here early.

We have half an hour to grab some supper. I can invite you to room 195 for supper, if you're interested. Otherwise, you're on your own.

*The committee recessed from 1734 to 1830.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Good evening, everyone. Bonsoir, tout le monde. My name is France Gélinas, and I will be your Chair for tonight's session. I thank you for coming to Queen's Park at these funny hours of business, but I thank you nevertheless. We are about to resume the deputations on Bill 10, regarding child care in early years.

#### ANDREW FLECK CHILD CARE SERVICES

**The Vice-Chair (M<sup>me</sup> France Gélinas):** The first group to come this morning—and I understand that they are in the room. So I would call—you'll have to excuse me if your name sounds a little a bit French—Kim



Hiscott, Neeka Barnes and Cheryl Nolan, the executive director, manager of home child care and supervisor for home child care at Andrew Fleck Child Care Services.

Si vous aimeriez vous exprimer en français, il y a de l'interprétation simultanée. Vous êtes certainement les bienvenues de le faire. Lorsque vous vous exprimez en français, c'est traduit vers l'anglais, et vice versa.

Good evening, ladies. You will have five minutes to present. Once you finish your five minutes—about four and a half minutes into it, I will say “30 seconds left.” That’s to let you know that there are only 30 seconds. Then it will go on rotation for three minutes with representatives from all three caucuses.

Are you ready to start?

**Ms. Kim Hiscott:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go ahead.

**Ms. Kim Hiscott:** Good evening. My name is Kim Hiscott. I am the executive director of Andrew Fleck Child Care Services. I thank you for allowing me to present our thoughts on Bill 10.

Andrew Fleck Child Care Services is a large multi-service, non-profit organization located in Ottawa. We have been providing direct services and support for children and families for over 100 years and our licensed home child care program was established in 1969.

I'd like to introduce you to my colleagues: Neeka Barnes, manager of home child care, and Cheryl Nolan, supervisor of home child care.

Our presentation this evening is dedicated to the memory of Jérémie Audette. In 2010, Jérémie drowned in a backyard pool while in the care of an independent provider in Orleans.

**Mr. Garfield Dunlop:** Turn the mike up.

**Ms. Kim Hiscott:** Sorry? Turn the mike down?

*Interjections.*

**Ms. Kim Hiscott:** Okay. Does that count as my time? Did I get a pause?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Yes, unfortunately. We could still hear you, but not very well.

**Ms. Kim Hiscott:** Okay. There were several caregivers and 31 children all visiting at one house and Jérémie's parents did not know he was going on a field trip that day.

While I believe that all care provided outside a child's home for remuneration should be within a licensed system, I wish to acknowledge that Bill 10 is an important piece of legislation that will increase the safety and quality of care. It is a starting point for building a comprehensive, licensed, non-profit system of early learning and care for all of Ontario's children.

In partnership with parents, our licensed home child care program provides consistent monitoring, support and resources for self-employed providers. We have set expectations developed to ensure our agency's compliance with the current Day Nurseries Act. Our consultants, experienced early child educators, visit the providers monthly, sometimes planned but often for unannounced visits to review standards and offer guidance. We also complete comprehensive quarterly safety checks.

The licensed home agency structure has proven to be able to provide effective monitoring, support, coaching, mentoring and training for the self-employed provider. The licensed agency structure currently exists throughout Ontario and can be efficiently expanded.

It has always concerned and confused us that ratios and age restrictions for independent providers are less strict than for those affiliated with a licensed agency. Providers have been motivated away from the agency model by the lure of increased earning potential at the expense of the safety of children.

We have heard from others today that the proposed legislative changes will impact their ability to be financially viable and increase costs to parents. While the cost of delivery and providing care is an important conversation, and one we need to have, this legislation is about the safety and quality of care being provided. At this time, this needs to be our focus.

But you should be aware that 38% of the self-employed providers affiliated with our agency earned between \$30,000 and \$40,000 last year, and 7% earned over \$40,000. Remember, when affiliated with an agency, the self-employed provider chooses which families they work with and the hours in which they want to provide care.

Our application process for potential home child care providers is appropriately comprehensive. It includes an interview where we assess why the individual is interested in providing care, and their skills and experience. After completing our due diligence, including a home inspection, police record checks and references, we determine which individuals we wish to affiliate with: those that we are confident will be able to provide safe, quality care. What is worrisome is that others, having not passed our screening process, are still able to provide care on their own.

Once opened, then parents, with the support of the agency, interview and choose which provider they feel will be most suitable for their own children. In some communities around Ottawa, the prevalence of independent providers not affiliated with an agency is so high that parents do not actually have choice. The standard of care being offered is set by the independent providers, and this confuses parents. They do not know what licensed, agency-supported home child care looks like; they have no comparison.

Research has demonstrated that parents often rate the quality of their child care higher than it actually is. This makes sense: Parents want to trust and believe in the choice they have made, making it very hard for them to be objective.

We are confident that the new legislation will increase access to home child care offered by providers choosing to affiliate within a licensed agency. This will be positive for children, parents and providers. It will increase safety and quality.

At our agency we have taken some important steps to motivate independent providers to affiliate with the licensed system. We have held focus groups and have

implemented the option for providers to set their own rates as part of their contract for service. We are also investigating how providers can maintain responsibility for specific components of their home business that they have expressed to us are important to them, allowing for independence. These would be the components that do not impact—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Kim Hiscott:**—safety, quality or our role as a licensed agency.

Just last week we posted a survey on our website, and so far we've received 23 responses. Only four independent providers have indicated that they would not be interested in affiliating with a licensed home child care agency under a fee-for-service model.

I remember Jérémie's dad sharing with us that he felt they treated their provider like a princess. Even when they had questions, they were hesitant to raise them out of fear that she would choose to not provide care, and they knew their options were limited.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. It goes to Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much. Thank you for coming out on a Monday night in November weather to make a presentation at this committee. It's a very important piece of legislation, as you're aware.

One of the things I wanted to ask you is that because the association of childhood educators—if we move towards a system where we bring in independent child care providers—because we're hearing from a lot of those folks that they have no problem with licensing, oversight and registry. We've heard that over and over again, and as a critic I've been working with a number of them.

Do you have suggestions for—not all of them have their diplomas etc. We had one girl here today. She has been in the business for 35 years and I'm not sure she has actually got a licence or any kind of background with a diploma. But have you got any ideas on how we could include everyone and yet at the same time phase in or bring in some kind of a diploma or a program that would allow everyone to be on the same page?

**Ms. Kim Hiscott:** First I need to be clear that a majority of our providers that are affiliated with our agency do not have their early childhood education diploma. We have providers that have also been providing care with us for 35 years—many, many providers, actually, that are long-standing providers.

Our agency provides regular training that the providers find very supportive and helpful. Some of that training is professional development outside the home on the weekends or evenings, but there's also a lot of training that happens in their home with the consultant who comes to visit. There's monitoring, support and resources directly in their homes.

We also have some providers, for sure, that are early childhood educators and we have some that are completing their training while they're having their self-

employed business. It doesn't mean that every provider needs to have their early child education diploma, but every provider does need to be monitored and supported by a licensed agency.

**Mr. Garfield Dunlop:** Can I ask you this: Could you believe in a system like some kind of a registry?

**Ms. Kim Hiscott:** No, I do not, because a registry is going to give parents very false hope. What the licensed agency does is prevent risk, so, by the consultants who are following very strict regulations as a licensed agency—they're going into homes and they're providing regular support and monitoring.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds left.

**Ms. Kim Hiscott:** A registry says that a provider is registered, but there's no ongoing third-party support. It opens up too much risk that provides a false sense of security to parents.

1840

**Mr. Garfield Dunlop:** Thank you very much.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. We move on to the NDP: Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you, Chair.

Thank you for coming here this evening. The first question I have is about the potential for two licensed providers to have up to 12 children in a home. I'm concerned about that ratio. I think that's a lot of children in one spot. Do you support this, and if you do, can you give me a rationale?

**Ms. Kim Hiscott:** I have limited support for this. We do believe that two providers can be reasonably supportive of 12 children in very specific situations. First of all, partially for visits, so they might get together on occasion, with some very set expectations that are supported by the agency. So they'll have their own little play group because maybe it makes more sense for them to do that during the winter rather than travel to an outside play group. But it's not for all day; it's for a specific period of time.

In other situations, we have considered maybe 12 children and two providers, only under the agency model, for sure; so only within the licensed agency model, and only when the licensed agency has been able to demonstrate, based on the size of the home, the qualifications of the providers—one would definitely need to be a childhood educator—could it work. But what we would want is the agency to have the authority to make some very clear distinctions on who and why and when the two model would work. Because we recognize that in some communities across Ontario, particularly in rural communities, that might be the most effective support of child care, but in other communities, it would not be the most effective support.

**Mr. Peter Tabuns:** Going to six children to one caregiver: I have talked to a number of child care workers in my riding who work in centres now, and they think that one adult to five children is tough. One to six seems to really press the envelope. What's your position on that ratio?



**Ms. Kim Hiscott:** I'm glad you asked me that question, because part of what I didn't get to say earlier is that our agency is urging that this legislation be amended so that the three-under-three regulation is retained, so three children under the age of three would be a very appropriate, effective addition to this piece of legislation.

The six children, again, under the agency model only, will work in some situations.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds left.

**Ms. Kim Hiscott:** We want an opportunity to contribute to the regulations that are pending. So the six children would only happen in situations where we could deem, as an agency, that it would be very effective and safe.

**Mr. Peter Tabuns:** Okay. I heard you mention the fee-for-service model. Can you just enlarge on that?

**Ms. Kim Hiscott:** Sure. We've had a number of independent providers say to us that they want to be able to set their own rates, collect their own fees from parents and manage those parts of their self-employment business. Those are not pieces that are embedded in legislation.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I'm sorry.

Mrs. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much for your submission. I'm very interested in the fact that you were a founding member of the Child Care Providers Resource Network and that that organization is not responsible for monitoring homes but purely there to offer information to business owners. I think that's an important distinction.

You've probably been in the room long enough and heard enough of the discussion—that there's a fair bit of discussion back and forth as to regulated versus unregulated or licensed versus unlicensed numbers being bandied about, so it's interesting, because I think that sometimes when numbers have come from organizations such as this, they're not necessarily accurate.

I just wanted to know about the numbers. I know we've been talking about two children under two years old and three under three. I know you've just mentioned it, but could you elaborate a little bit more? Because there is a fair bit of consternation among unlicensed providers who feel they'll lose their daycare spots and not be able to stay in business. I really want to know your take on what that means to child safety in the home.

**Ms. Kim Hiscott:** I think it's really important to acknowledge that in the licensed agency system, those rules have been in effect for as long as I've been an early childhood educator. So our providers are already earning a very viable living wage—I'm not going to say great, because we also know that early childhood educators and people who provide care for our youngest children are underpaid, but they are earning a reasonable income. They're already following those rules, and they're already following the rule where their own children count in the number of children they can care for. So the fact that somebody can do this outside of the licensed system without monitoring, without support, without obligatory

training, without other guidance, is just illogical, and it's the fastest way that our province can make a big difference for the safety and quality of children. Expanding the licensed home child care agency model approach is also the fastest way.

We've heard lots of conversations and comments tonight about only six more advisers to manage complaints. We will only need six more if you use the agency structure because the agency holds the responsibility for monitoring those providers. We won't see a big loss of care for children because there will be an opportunity for those providers to continue to be effective and to provide care, but under the licensed structure.

**Mrs. Kathryn McGarry:** Okay. A little bit more on that when it comes to, again, the organization: Do you think that there's a role for maybe a co-op kind of set-up for more of those home providers that are in smaller rural areas?

**Ms. Kim Hiscott:** I guess I do not understand why we would invest any time in creating another structure when there already is a licensed agency structure in Ontario.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you very much for presenting, ladies.

## THE LEARNING ENRICHMENT FOUNDATION

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would ask Mr. Peter Frampton, the executive director of the Learning Enrichment Foundation, to please come up. Mr. Frampton, you have five minutes to present. Are you ready?

**Mr. Peter Frampton:** I am.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Go ahead.

**Mr. Peter Frampton:** Thank you for the opportunity.

A lot has changed since 1938. Child care as we know it is, in fact, only about 35 years old. It was in the early 1980s that it finally grew to be something that parents could count on. Over that period, it has woven together desperate strands of funding to, beyond all odds, become a cornerstone with society, a cornerstone with remarkable economic impact, a cornerstone with beyond-remarkable child development impacts. From those two facts come incredible community impacts.

My message today is very simple: Let's get on with it. The proposed legislation is long overdue, remarkably complicated as it is, because it weaves together so much. But the time has come, and to delay based on fears of unlicensed providers is to ignore the facts. The devil is in the detail. The legislation is sound and needed. Together we can work through the devilish details, through the regulations, and that will take time. You certainly have our commitment to work through those regulations over the next little while, as you do the entire sector. From my perspective, there is very little reason to delay.

I work for the Learning Enrichment Foundation. For the past 35 years, we have focused our work on the needs of this province's second-poorest riding, York South-Weston, in the heart of the city. In doing so, people from

across the GTA come to us for support. Some 35 years ago, child care in schools was our mantra. Schools are the centre of communities. In our local high schools, we ensured there was infant and toddler care so that single moms could continue their education.

Our operation, over the years, has grown. Now with 30 locations and over 50 programs serving about 1,500 children and families, we continue to expand. We expand because we see the benefit; because we welcome the regulations—they underscore quality; because the most effective way to enable a family to participate in society is child care; and because it is the best way to prepare children for school.

Unlicensed care in poor communities—and I'm not speaking across the board here. Let's just say it doesn't follow best practice as a rule. The proposed legislation reserves the right to use "child care" for only licensed care, and this is appropriate. How else is a parent to understand the difference? Who amongst us would be able to tell the signs of quality care, be able to interpret program plans and see that they were indeed being implemented, be able to judge interactions and see if they were indeed reinforcing learning and development? When you're living in poverty and struggling to survive, labels matter. You rely upon them and you trust them. With this legislation, child care can be trusted.

It may not have occurred to many of you, although I think I've heard it already today, but child care is actually hardwired for there to be little or no accountability. A parent who, maybe out of desperation, has chosen care that might not be up to par cannot admit that to themselves. None of us could, and none of us should be expected to. The accountability must come from legislation and regulation.

1850

In the same vein, a neighbour who offers care in their home, when approached by another neighbour to care for just one more child, with all the good intentions—it's hard for them to say no. This legislation ensures that that wonderful neighbour does not overstretch themselves.

There is a lot of work to do. There are a number of details to be worked through. I echo many of the recommendations of the QELN, the Quality Early Learning Network, but for now, I'd just like to say that I hope this moves forward and that many of these details can be worked out over time. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We will start with Mr. Tabuns from the NDP.

**Mr. Peter Tabuns:** Thank you, Chair. Mr. Frampton, thanks for being here. First of all, talking about ratios—and I raised this with the previous presenters—I'm concerned about a rule that would allow two care providers to have 12 children in their centre at any one time. Do you have a position on that ratio?

**Mr. Peter Frampton:** Our experience is with licensed care and not home care. I think the changes that are being proposed for three under three, two under two, one under one go a long way. I know enough that there may be some exceptions in rural areas that were spoken to earlier today, but I would share that concern.

**Mr. Peter Tabuns:** Okay. Six children to one provider: Do you have concern with that change in ratio?

**Mr. Peter Frampton:** With the three under three, two under two and one under one, then that could work, but five to one is fine, too.

**Mr. Peter Tabuns:** Okay. The registry idea, because we've been getting pretty strong representation on that: Would you enlarge on your comments about that?

**Mr. Peter Frampton:** I would defer to the speakers before me. I think a registry without oversight and without supports is not the way to go. The interactions required to ensure ongoing quality to ongoing training are absolutely essential, and the registry runs the risk of giving that sort of false sense of security.

**Mr. Peter Tabuns:** I don't have any further questions. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Very good. The Liberals—Mr. Crack? Oh, no, Mr. Anderson.

**Mr. Granville Anderson:** Thanks for the presentation. You support that that registry doesn't work to the benefit of children. It's a sense of false hope. As you've said, apparently it's registered, but they don't know the nature of the service being provided. Could you elaborate on that a bit for me?

**Mr. Peter Frampton:** The way the legislation stands right now, child care would be protected for the use of licensed care. That licensed care in group settings has a number of regulations that go with it that help to ensure quality, and those are regulations that we embrace and work with. In each and every case, there are additional supports that can and should be offered and ensure that quality is ongoing.

**Mr. Granville Anderson:** You also made a very valid point about—throughout the course of this afternoon we heard presenters saying parents should know best. Even members of the opposition concur with that. Yes, parents should know best in certain circumstances, but, say, a 17-year-old mother who's desperate to find babysitting—I'm not sure she's going to be diligent in finding the best care possible. Even somebody who has to return to work within a certain time frame is going to take the closest available babysitting service that's available. Would you concur with that assessment?

**Mr. Peter Frampton:** I think we should be talking about basic safety and we should be talking about quality.

**Mr. Granville Anderson:** That's right. That's a good point.

**Mr. Grant Crack:** Thank you very much. I am a big fan of the other Peter Frampton, by the way, so I love your name.

**Mr. Peter Frampton:** I'm always a bit of a disappointment when I show up.

**Mr. Grant Crack:** I'm so happy to meet you. You said the legislation is sound and needed, and then you said we've got to work through the regulations. Can you just elaborate on what you'd like to see in the regulations that you haven't mentioned?



**Mr. Peter Frampton:** I think a lot of what I've heard are things that we can work out over time. With any change, there are issues. As a sector, we have gone through massive change with the introduction of all-day kindergarten, and that is still ongoing.

We can work through the regulatory process to deal with a lot of the nitty-gritty that's coming up today, so my concern would be that this is delayed, and that we do not have that opportunity to just get on with it, quite frankly.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mr. Grant Crack:** You mentioned the nitty-gritty. Are there any specifics that you could talk about other than the three/three, two/two?

**Mr. Peter Frampton:** I think that, as one looks at the needs of different communities and the needs of rural communities, one thing that we know for sure is that there's always an exception to the rule. How do we build in that kind of flexibility that ensures quality—not just safety, but quality—and works within a community context?

**Mr. Grant Crack:** Okay; thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Thank you, Mr. Frampton. I would now ask Mr. James Brand, the principal of Maria Montessori—

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Oh, I forgot about the PCs. Come back, Mr. Frampton. Come back.

**Mr. Garfield Dunlop:** We're going to talk about your round tables.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Sorry, Mr. Dunlop. My mistake.

**Mrs. Gila Martow:** I just want to mention that you mentioned that the devil is in the details, that we have to get to the nitty-gritty, that it needs flexibility and that there are exceptions to every rule. I think that that's what we're all here about. We're all here about where the exceptions to the rule are. Once this rule is put into law, there are no exceptions, and we can't say that the devil is in the details, because then it's put into law and we can't deal with the details.

That's why we want to go around the province and we want to hear from the people who will be impacted, who are the parents and the caregivers. I wish that the kids could speak up and talk about what a great time they're having in their local neighbourhood daycares, where they're meeting kids from their own neighbourhoods, because a lot of times the parents that I used to hear from were upset because their kids had to be bused to another school, and their number-one complaint is that they won't have friends in the community. That's why I like community child care whenever it's possible.

What I wanted to ask you is that there seems to be this big rush to put this through. What I'm wondering about is: Do you feel that part of this rush could possibly be that all-day kindergarten, because it has moved so many of the older—that was the bread and butter of a lot of the daycare centres; because those children were taken into

all-day kindergarten, the daycare centres, the large stakeholders for child care in the province, are losing out on this revenue, there is some kind of pressure on the government to somehow move kids from the smaller centres into these large centres?

**Mr. Peter Frampton:** I would actually disagree with that. Our focus has always been zero to four. Our centres are community-based; even though we're a larger organization, they're very much a part of the fabric of individual neighbourhoods.

I agree with you completely that those local relationships are absolutely critical, and I would argue that the new legislation gives us a framework to start talking about how to invest, how to make that more possible and how to raise quality as we're doing so, so I think there's a balance—

**Mrs. Gila Martow:** And do you think that six inspectors is sufficient to address the safety concerns, which is what we're hearing? It's being touted in all this new legislation for safety concerns: six inspectors. There are more than six inspectors for a lot of the trades in some of the ridings. Maybe the focus should be on training and a registry. How do you feel about a registry?

**Mr. Peter Frampton:** I would hope that six inspectors are enough. If not, they can be added to later down the road. We can add to professional development. We can add to having more staff through the apprenticeship program become ECEs. There's an enormous amount that can be done.

**Mrs. Gila Martow:** Thank you very much.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Now you are free to go. I'm sorry about the false start there.

## MARIA MONTESSORI SCHOOL

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would like to call James Brand, the principal of Maria Montessori School. Mr. Brand, you will have five minutes to do your presentation; then we will be on rotation, starting with the Liberals. Are you ready?

**Mr. James Brand:** Thank you. Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Please start.

**Mr. James Brand:** Good evening. I'd like to first commend the government on bringing forward this important legislation, and I thank you for giving me the opportunity to address it. My name is James Brand. I'm a Montessori teacher and the principal of Maria Montessori School in Toronto. I'm appearing before you to urge revisions to Bill 10 and to ask that you ensure that it is written in such a way as to reflect and preserve the holistic view of child development inherent in a Montessori approach to education.

Maria Montessori School is a private school that was founded in 1975 and for more than 40 years has operated at the same location in Leaside, north Toronto.

### 1900

Our school currently has an enrolment of about 115 children aged from 18 months to 12 years of age. We

employ a full-time staff of 18. As you can see, we're not a large school, but I believe, as do our parents—from whom you have heard earlier today—we're an exceptional one. We have been accredited by the Association Montessori Internationale since the early 1980s.

I have been the principal at Maria Montessori School for the past 28 years. In addition to my work with the school, I have also worked on behalf of a number of Montessori organizations. I was a founding member and chair of the Canadian Council of Montessori Administrators, CCMA, an organization established to provide business support for Montessori administrators and school owners. During part of my tenure with this organization, I also acted as liaison to the Canadian Association of Montessori Teachers, I have served on the board of the Montessori Society of Canada, and I'm currently on the board of directors of the Association Montessori Internationale Canada.

Maria Montessori School is an excellent school. However, excellence in education can take many forms. For this reason, in Canada, as in many other countries, parents have the opportunity and the right to choose alternate education methodologies for their children.

So why do parents choose to pay for their children to attend our school? There are certainly more prestigious schools around. We don't even have uniforms. There are less costly alternatives, many of them Montessori, and there is an infinite number of more convenient solutions if parents are simply seeking child care. Our program operates on the same academic calendar as most other private schools in Toronto.

Parents come to our school based on educated choice and knowledge. They choose Montessori, specifically AMI-accredited Montessori, for their child. Our school is one of only two schools in Ontario currently accredited by AMI. If Bill 10 is enacted in its current form, we will be forced to adopt practices that will not simply be an inconvenience, but essentially remove Montessori as an educational choice for the families of Ontario.

As a parent and educator, I applaud and welcome the Ontario government's resolve to ensure that children in Ontario have access to safe and effective programs. We are not trying to avoid regulation. On the contrary, over the years, we have subjected ourselves voluntarily to regulation of the highest standards. We do, however, know that to be effective, regulation—government or otherwise—must be judicious, relevant and appropriate, overseen by those with the knowledge, training and experience to do so effectively.

We ask that the government recognize that AMI Montessori schools are not daycares. AMI teachers are educated to the same standard as traditional teachers, requiring a university degree in addition to the specialized Montessori training in child development. We further ask that AMI accreditation be formally recognized within the bill.

A search of the term "Montessori" renders various results. However, the one constant is that the methodology is defined as an educational approach. Montessori

programs worldwide are referred to as schools, not daycares or nurseries. Why? Because the world recognizes that, agree with the methodology or not, good Montessori is not child care but a legitimate and viable educational alternative with a scientifically based pedagogy that is validated by leading contemporary research.

Maria Montessori held the belief, one shared by the Ontario government, that one of the most significant periods of human education takes place between the ages of zero to seven. Not only did she believe this fact—one that has since been scientifically supported by research the world over—she devised a practical pedagogy that has stood the global test of time, place and culture. Montessori is modern education.

I know by the government's own account of their early education program that we have much common ground. I urge them to craft this bill in such a way as to take advantage of what Montessori has to offer and be careful not to inadvertently impede or dismantle it. Unrevised, this legislation will—albeit inadvertently—have negative consequences for Montessori in Ontario.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. We'll start with Mrs. Mangat. Go ahead.

**Mrs. Amrit Mangat:** Thank you, Mr. Brand, for your presentation. In your presentation, you said that as a parent and educator, you applaud this proposed legislation so that children in Ontario have access to safe and effective programs.

My question is that ever since 1993, when a number of private schools, including Montessori schools, were grandfathered and allowed to continue operating without meeting many of the requirements of the Day Nurseries Act—how do you think the safety concerns of parents have changed in the past 20 years? Can you elaborate on this, please?

**Mr. James Brand:** I can't speak on behalf of all parents; I can speak on behalf of the way we're structured right now. You're referring to the grandfathered schools? We're certainly not, and I'm not, advocating for no regulation. I think we already adhere to local health, safety, fire code, specific first aid training, background checks; we already adhere to that. As far as health and safety, I'm afraid I can't really speak to other programs that exist.

**Mrs. Amrit Mangat:** Okay. In your presentation, you spoke about the language in that act—that it should be written in such a way to reflect and preserve the holistic view of child development. Can you elaborate on that?

**Mr. James Brand:** Yes. I think I'm not the first person to speak to this committee on Montessori today. They've covered some of the main pillars of Montessori. The issue that really concerns me is that if it's being regulated, it needs to be regulated by people who know the intricacies of Montessori. Simply taking care of those main pillars that are being talked about a bit today really doesn't take care of the whole issue.

The best way I could describe it is if maybe you consider Montessori to be a tapestry. Every part plays an important role. It's why we need regulation from know-



ledgeable bodies, such as AMI. Pulling at any thread of that tapestry starts to destabilize the whole thing.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Mrs. Amrit Mangat:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Crack.

**Mr. Grant Crack:** Thank you for coming. Very quickly: You're also indicating that if Bill 10 is enacted in its current form, you will be forced to adopt policies that will not simply be an inconvenience. What policies? Can you enlighten as to what policies—

**Mr. James Brand:** Probably one of the most obvious for us is an arbitrary age restriction at a chronological age. Montessori, fundamentally, is an approach to child development—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much for being here and thank you for being a principal for 28 years. You've got to get an award for that.

**Mr. James Brand:** I can honestly say it's been my pleasure.

**Mr. Garfield Dunlop:** Thank you. I want to know this: If Bill 10 is not amended, what will happen to the Montessori school system in the province of Ontario?

**Mr. James Brand:** For our school to be able to follow regulation and come under the regulation as far as we know it right now, because we don't know the whole thing, we would have to do things that would fundamentally affect our programming—something like mixed age groups, if we had to look at age four as being the point where we could start our classrooms. That fundamentally affects our view of the developmental cycle.

**Mr. Garfield Dunlop:** I can say this: In my years around Ontario and the provincial Legislature, I've never had a negative thing said about a Montessori school. I would hope that we get it right here with this bill. If you are prepared to hand us the amendments you'd like to see, I can tell you that the PC caucus will be happy to present them at the committee in clause-by-clause.

**Mr. James Brand:** Certainly.

**Mr. Garfield Dunlop:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Ms. Martow.

**Mrs. Gila Martow:** Yes, I'd just like to comment and to make it absolutely clear that there are two-year-olds who are more mature and more advanced than some three-year-olds; they may change a year or two later on. I think that's a bit about what the philosophy here has to be today, to address the fact that not all two-year-olds and not all three-year-olds behave the same as each other. I think it's up to the parents, the caregivers and the schools, like Montessori, to assess the children and decide what is the best fit for the child. I think that's why we're all here: We're all concerned.

Thank you for speaking to us today.

**Mr. James Brand:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Tabuns.

**Mr. Peter Tabuns:** Mr. Brand, thanks for coming this evening and making the presentation. It's very clear that

Montessori educators and Montessori parents are profoundly attached to the model that's been developed over the decades. Certainly parents who speak about it speak about it with great happiness as to how their children have been educated.

**1910**

What I've asked earlier presenters to do, and I know that they will get back to me, is what I'd like to ask you. I haven't seen in this bill where—something that was referred to earlier—a three-hour continuous cycle of teaching would be interrupted by this bill, or where it would prevent age groups from mixing. If you can tell me where in the bill those problems are, it would help me.

**Mr. James Brand:** You would like me to get back to you on those?

**Mr. Peter Tabuns:** I would appreciate that.

**Mr. James Brand:** Yes.

**Mr. Peter Tabuns:** Until I can see that, it's very hard for me to be concrete about exactly what it is that causes problems. When the bill presents you with difficulties in pulling together the whole system, I need to know exactly, concretely, what the change would be. Would you then have to segregate children under four from the children who are age four? Would you have to change the whole schedule with the way the day runs? I think we all need more concrete identification of the problematic elements.

**Mr. James Brand:** Absolutely.

**Mr. Peter Tabuns:** With that, I have no further questions, Chair.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. You are excused, Mr. Brand.

**Mr. James Brand:** Thank you very much.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you for coming.

## SCHOOLHOUSE PLAYCARE CENTRES OF DURHAM

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would now ask Ms. Denise Gilbert, the executive director, and Chris Turpin, a director from the board of directors, of Schoolhouse Playcare Centres of Durham—you know that you have five minutes to present, and the questions will start with a representative from the PCs. Are you ready?

**Ms. Denise Gilbert:** Yes.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Go ahead.

**Ms. Denise Gilbert:** Good evening. My name is Denise Gilbert and I am here today with Chris Turpin. I am the executive director of Schoolhouse Playcare Centres and Chris is a parent and a director on our board of directors. Thank you for this opportunity to present our feedback on Bill 10. In our written report, it does provide you with some background information on our organization and the children and families we serve, which I will not get into right now.

First, we would like to preface our statements by saying that Schoolhouse Playcare Centres supports the

government's vision of modernizing the Day Nurseries Act, and we recognize the initiatives that have taken place with respect to early learning. The Day Nurseries Act is long overdue for revisions, and we applaud the government for taking the initiative to address this issue. We feel strongly about the safety and security of all children, and we recognize the government's effort to increase accountability in this area.

Although we support the overall vision and the initiatives that have been taken, we believe that the following three areas need additional consideration. One is with regard to regulated care. In order to truly ensure the quality and accountability of service delivery and the safety of children, and as we move forward in improving early learning and child care services, we believe that child care services, regardless of who delivers those services, need to be regulated.

Schoolhouse Playcare Centres currently offers licensed centre-based child care for children from zero to 12, and would be willing to consider expansion to licensed home care as a means of better meeting the needs of our communities. In saying that, we question why unregulated services are acceptable and why all children are not provided with the same protection when it comes to safety and program quality.

Research demonstrates that a child's learning environment in the first five years of life is critical to future learning success and well-being, and yet unregulated care continues to be supported within the existing system. In a province and society where regulations are required for everything from education to pet care, why does unregulated child care still exist, and what does that say about the value that we place on our most vulnerable citizens?

The second area that we would like to discuss are the exemptions, and I refer to schedule 1, subsection 4(1)7. We believe that allowing for an exemption of recreation programs will compromise the accountability of school-age care. Although we recognize that there is a place for recreation within our system, to exempt this group and enable them to deliver child care services without calling it child care is confusing to families, it undermines the existing system, and it foregoes the need for service planning.

The ministry's goal has been to provide clarification to families around the difference between licensed and unlicensed care, and yet, this exemption acts in contradiction to this goal. Parents, families and the public need to be well-informed about what constitutes licensed care, and this exemption will serve only to confuse the issue.

Based on the current system, recreation programs and child care programs are not required to meet the same criteria and guidelines when it comes to safety, quality, staff qualifications, ratios and program delivery. As such, we are not equal when it comes to funding or service delivery. To create this exemption for recreation programs will reinforce an uneven playing field within the same system, and will compromise the financial viability of the licensed child care sector that has already taken a

significant hit with the recent transformation of our system as it relates to full-day kindergarten.

The child care sector is in a state of transition and is still trying to recover from the recent changes. To implement this exemption will create one more threat that will compromise the ongoing sustainability of a sector that is in recovery. Many organizations like ours are financially dependent on their FDK and school-age care components while their early years programs have time to grow and become more self-sufficient.

Every community has different needs and, therefore, requires a range of services to support families and children. As such, there needs to be extensive thought put into proper service planning that will adequately address those needs. The exemption clause in Bill 10 will not facilitate that service planning, but will more likely perpetuate the current flaw in our system in that programs will be established based more on the organization's growth than in response to community needs.

There is also no clarity provided on what constitutes a recreation program. Although we appreciate that this exemption clause will be subject to regulations, more time and consideration needs to be given to this area in order to ensure the safety of our children and the quality of program delivery.

The third area is with respect to the amendment of the Education Act, schedule 4, section 259.1. We believe that allowing school boards to offer before- and after-school programs—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Denise Gilbert:**—for children from ages 6 to 12 through the use of a third party that is not a licensed child care provider will have negative impacts on children's safety and the stability of the child care sector.

Although we welcome the requirement for all boards to offer before- and after-school programs, we believe that an integrated service approach fits better within the government's vision as stated in the Ontario early years framework.

We have a few recommendations which are included in the written reports. I also wanted to add that we are affiliated with the Quality Early Learning Network sector and support theirs.

**The Vice-Chair (M<sup>me</sup> France G  linas):** The questions start with Ms. Martow.

**Mrs. Gila Martow:** I want to really thank you for your very thorough presentation, and I think most people were able to sort of read between the lines that you can have government legislation, but as soon as you start to have exemptions, and as soon as you start to make changes, there are consequences. I think that this rush to put through this legislation without looking at what those consequences are—which is that all of a sudden we're going to have either some child care spaces that are going to be lost and the parents are going to be left looking for spaces, or there are going to be some child care providers who are going to lose out to other types of programming because of exemptions. That's certainly not what I want to see, and that's not what my party wants to see.



What I would say to you is, do you feel that there are certain groups that are given special consideration, in terms of this government that's sitting across from me, in terms of their business model versus other business models? It's not necessarily what's in the best interests of children, families, employers and not making people have to drive further to find daycare for their children.

**Ms. Denise Gilbert:** I don't know that I would agree that that's currently the situation. I think that the intentions of the bill are good, but I believe that there needs to be more consideration put into those exemptions and what that means, and what level of criteria and guidelines need to be established to make that even and good for children and families.

**Mrs. Gila Martow:** Can you suggest to me, because I'm trying to wrack my brain, why there should a different set of rules for child care in a school setting that is before and after, say, all-day kindergarten—why they should be allowed to follow a different set of rules? Have you asked for input, have you asked this government why there should be a different set of criteria?

**Ms. Denise Gilbert:** I think that's what we're trying to put forward, to look at that criteria, that it is in some ways consistent. Part of that is based on the current Day Nurseries Act, which creates some differences. I think the modernization of the act will eventually put those more even.

**Mrs. Gila Martow:** How many children are you caring for right now?

**Ms. Denise Gilbert:** We have an organization with 24 locations and about 1,675 children.

**Mrs. Gila Martow:** And if the legislation passed exactly the way it is right now, would you have to cut any spots, and how many would you have to cut?

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Denise Gilbert:** It would depend on how many of those recreation programs came in in the absence of some service planning, which I think is the key here.

**Mrs. Gila Martow:** But you would expect that you would have to cut some child care spots. It's possible.

**Ms. Denise Gilbert:** It could happen. It's possible.

1920  
**Mrs. Gila Martow:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you, Chair, and thank you very much for being here this evening. You are the first people to talk really extensively about this section, about the shift away from the direction set out in the early years' best practices. I'm sure you've had discussions with the government about this. What have they said about this shift to you?

**Ms. Denise Gilbert:** I've not had direct discussion with the government on this, so this is my first opportunity to respond to this issue.

**Mr. Peter Tabuns:** Currently, your organization and other before- and after-school organizations provide this coverage for children from grades 1 to 6. Who would be replacing you if this were to go through as written?

**Ms. Denise Gilbert:** There's the potential for boards of ed to be able to bring in recreation programs that are unlicensed. In some places, recreation is a valuable part of our system. Overall, recreation needs to be a part of it, but there needs to be further consideration in terms of where that fits and how the overall planning gets in place.

**Mr. Peter Tabuns:** Although I know it would vary from grade to grade, let's say for grades 4 and 5, what would your before- and after-school care look like that you provide now?

**Ms. Denise Gilbert:** We currently have programs that take them right up to grade 5. They're 12 years of age. Our programs vary based on the developmental needs of the children. It is an emergent program. There is a pedagogical foundation for the work that is done in the centre and it's based on those children's interests, those children's needs, and their individual levels of development, including children who have special needs.

**Mr. Peter Tabuns:** So what you run in the after-school programs and the before-school programs is not simply supervising children at play.

**Ms. Denise Gilbert:** No.

**Mr. Peter Tabuns:** Can you give us more detail on what exactly is in those programs? I know you've set out a pretty broad range there, but if you can tell us some major elements.

**Ms. Denise Gilbert:** There are components for good nutrition in all of those programs in terms of snacks and food that they have. There are opportunities for the children to look at various areas, be it science, reading, outdoor play. There is physical activity involved in all of the components to those programs. It really is a broad range of services that are provided. It's not just a single—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Denise Gilbert:** We don't just do yoga.

**Mr. Peter Tabuns:** I believe you. Do you do home-work support as well?

**Ms. Denise Gilbert:** We do as much as we can with the children. That is not the primary focus, but we do encourage the centres to have an area where the kids can do that.

**Mr. Peter Tabuns:** Okay. Thank you. I have no further questions.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mrs. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much for your presentation. There's been a lot of discussion today, and you've heard some of it, regarding ages of children and what stages they're at, and Montessori schools looking for an exemption for their age-based program. A couple of the members opposite have been saying that a two-year-old might be behaving like a four-year-old etc., etc. Certainly the reality of our education system is that it is age-based. At the end of—you know, December 31st is the cut-off for the next particular grade in school, and this is part of what Bill 10 is trying to identify, I think, some

of the programs, what age and stage, what programming is available for those particular ages.

I do like some of your discussions regarding the choices that you have from zero to age 12, and I want to reiterate that Bill 10 isn't taking choice away from parents. There are still all of those choices available for parents with their young ones to decide that if their child needs a more regulated program, they can find that. If they want a home daycare, they can do that as well.

When it comes to looking at ages, I recognize that there will be a lot of further discussions regarding the older children, which we haven't really identified that much in this bill. But this government has been consulting. I was actually looking through several hundred submissions over on this table. We're still accepting submissions about Bill 10 and all the offshoots. So I like what you have to say.

That being said, do you have any comment regarding the two-under-two or three-under-three ratio that we're looking at in Bill 10?

**Ms. Denise Gilbert:** I would support the three under three. I believe that there is research that supports the numbers of young children in home care. We don't have any home care currently, but I do believe that it should not be any greater than that three under three.

**Mrs. Kathryn McGarry:** Thank you. I appreciate that. But I also wanted to reiterate—and this really hasn't come up a lot today—that I think a lot of parents and daycare providers feel that on January 1, Bill 10 will come into enactment and it'll be done. But there is a transition period over a period of months, if not into 2016, where things will be rolled out.

One of the things you were talking about was regulations and having it regulated. You may have heard the previous submission that was really talking about a false sense of security if we do have a registry—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Twenty seconds.

**Mrs. Kathryn McGarry:** Beyond having somebody registered, what do you have to say about registered versus unregistered?

**Ms. Denise Gilbert:** I think registries are different than regulations. I think adhering to regulations and having centres visited, having to meet certain criteria: that's regulation. That's not necessarily a registry.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. I'm sorry that I had to cut you off. It's part of my ungrateful job. You did a great job, though.

#### LANARK COUNTY INDEPENDENT CHILDCARE PROVIDERS

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now ask if the people from the Coalition of Independent Childcare Providers of Ontario have arrived. Identify yourself if you're here.

**Ms. Sarah-Jane Laberge:** I'm from the Lanark chapter.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Yes, the Lanark county chapter. Are you Sarah-Jane Laberge?

**Ms. Sarah-Jane Laberge:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Please come up. You will have five minutes to present, and then there will be three minutes' worth of questions from all three parties, starting with the NDP.

Are you ready to start? Ready?

**Ms. Sarah-Jane Laberge:** Yes, I am.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go.

**Ms. Sarah-Jane Laberge:** My name is Sarah-Jane Laberge, and I'm speaking on behalf of the Lanark County Independent Childcare Providers about our concerns regarding Bill 10, the Child Care Modernization Act.

The proposed changes for ICPs to include their own children in their quota of children under the age of six and to allow no more than two children under the age of two will cause a child care crisis of enormous proportions.

Rural Ontario has unique needs. People know each other. They know their neighbours, went to school together, go to the same church and attend the same playgroups. That's the real strength for rural Ontario. In many cases, communities are stronger. You can't just have a one-size-fits-all policy.

Currently in Lanark county, there are 3,090 children between the ages of zero and four. However, there are only 711 licensed child care spaces. Two hundred and fifteen of those are home-based care, however, only 63 are being used. Clearly, the licensed sector does not have the capacity to meet the needs of our community. Almost all of the spaces that are home-based are subsidized because full-fee parents refuse to pay agency prices.

Lanark county is fortunate to have an estimated 65 independent child care providers to compensate for the lack of licensed spaces. These dedicated women provide care for roughly 325 children.

With the proposed changes, Lanark county alone will lose, at best, 65 child care spaces and, at worst, over 130. Our community cannot afford to lose one.

If the Ministry of Education insists on including our own children in our numbers, then at the very least children 3.8 years and older who attend full-day kindergarten should not be counted in our numbers for the same reason that a six-year-old shouldn't. They will be in school all day.

Secondly, Bill 10 does not increase safety. Frankly, you can have as many rules as you like, but if you don't have the people to inspect and determine whether people are respecting those laws, then the bill is pointless.

Bill 10 should address individual licensing or registry of ICPs. We want to be licensed, and we embrace oversight. No individual home daycare provider can obtain a licence in Ontario. Those providers affiliated with an agency are working under their agency's licence, not their own.

Affiliated ICPs also incur a 20% loss of income. However, instituting a registry or licensing of all ICPs



would ensure that all child care settings meet universal standards of health, safety and quality of care. In addition to having current CPR, first aid and criminal record check, all child care settings would be subject to yearly and impromptu inspections, as well as having to adhere to the health departments' regulations. Licensing or a registry would allow for 100% government oversight, rather than relying on the public to report noncompliance, and here is one other very significant benefit: ICPs would be able to provide care for the thousands of children currently on subsidized waiting lists.

1930

The real issue is not the existing ratios, but the lack of oversight that allows unscrupulous people to put their profit margin over health, safety and quality of care. The promise that Bill 10 will ensure that illegal daycares will be shut down is an empty one. You can't shut down what you can't find.

It is extremely important that we actually accomplish the goal of this bill, which is to ensure that all Ontario families have access to healthy, safe, affordable, quality care throughout the province. As long as this government refuses to facilitate a registry or licensing system for ICPs, there will never be effective oversight.

In closing, I ask that you listen to the collective voices of the concerned independent childcare providers of Ontario, as well as rural Ontario as a whole, and the community we serve.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Very well. We start with Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you, Chair. Ms. Laberge, thank you for coming in this evening, and for speaking.

**Ms. Sarah-Jane Laberge:** My pleasure.

**Mr. Peter Tabuns:** I was talking to one of the earlier presenters from Ottawa, and apparently they're looking at a system whereby a child care agency would provide a fee-for-service to individual home providers; they wouldn't handle all their business affairs, but for a regular fee they would conduct inspections and monitor, so that people could say that they were being monitored. Is that something that independent child care providers would be open to?

**Ms. Sarah-Jane Laberge:** To be frank, an agency is basically after—their bottom line is their profit margin. If they have a member of that agency inspecting, it is in their best interests to just kind of turn a blind eye to minor infractions, or ones that could eventually turn into bigger ones, for the sake of their profit margin.

**Mr. Peter Tabuns:** If they're operating on a non-profit basis, does that still apply?

**Ms. Sarah-Jane Laberge:** I guess it would have to depend. I know that our local agency, CROW, is in it for the profit, honestly.

**Mr. Peter Tabuns:** So you wouldn't see a fee-for-service relationship with an agency as one that would work for you? You would prefer to see government of Ontario staff inspecting? Is that correct?

**Ms. Sarah-Jane Laberge:** In order to have it be objective, I think that's necessary.

**Mr. Peter Tabuns:** Okay. The ratios—I'm a bit concerned. I'll tell you, just from my personal experience: My mom had three of us under the age of five, and I find it hard to imagine her taking in four or five more kids with the three of us running rampant around the house; no offence, Mom, if you're watching.

I'm worried that, if we don't have ratios and limits, you could be in a situation where you would have a mom with three kids under the age of five and five other kids—eight children. I can't see how that would work.

**Ms. Sarah-Jane Laberge:** First—I'll make three statements.

**Mr. Peter Tabuns:** Sure.

**Ms. Sarah-Jane Laberge:** The claim is that two-under-two is for health and safety reasons, as well as in case of fire, or that it's better for brain development. However, the contradiction is that with a ratio of one-to-three infants in a child care setting, your argument regarding ratios, safety, brain development and fire hazards are negated due to that.

My reality is that, for the last 60-plus years, we have been operating with a very low incident rate. However, in the last six years we have had four deaths, three of which were deemed suspicious and are still under investigation, while the only one that was deemed accidental—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. I will ask Mr. Crack.

**Mr. Grant Crack:** Thank you very much, Madam Chair, and thank you, Ms. Laberge, for coming. You have indicated that Bill 10 does not increase safety, yet the Ombudsman has made a number of recommendations, and I know that this bill encompasses about 35 of those recommendations. Could you please explain to me why you would make such a claim, that it's not going to increase safety?

**Ms. Sarah-Jane Laberge:** Due to the fact that the system is still going to be a complaint-based system. It goes back to the statement I said during my address: If you don't know what exists, then how can you properly oversee them?

**Mr. Grant Crack:** You're aware, though, that there are about 66 program advisers out there—they can also be called inspectors. They currently inspect licensed care facilities—

**Ms. Sarah-Jane Laberge:** Again, it's on complaint-based.

**Mr. Grant Crack:** —and they also deal with the unlicensed as well—

**Ms. Sarah-Jane Laberge:** Which is complaint-based.

**Mr. Grant Crack:** —so we're saying that we're going to be adding another six—yes. I just want to reiterate that there is enforcement out there.

**Ms. Sarah-Jane Laberge:** As I recall, it's only an additional six, which are currently unable to manage the licensed sector as is.

**Mr. Grant Crack:** All right. I don't know if any of my colleagues have any other questions.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Ms. McGarry? No. Mr. Anderson?

**Mr. Grant Crack:** Okay, we're good.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We're good? We go to Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much. I just want to congratulate you, Sarah, on your presentation. I know you're nervous, and you read it quickly—

**Ms. Sarah-Jane Laberge:** Yes.

**Mr. Garfield Dunlop:** —but I think you summed up everything perfectly. You summed up even with the questions from the government that it's only on complaint-based, and we know that the Ministry of Education was not responding to complaints on what happened in some of those deaths.

But the whole idea of licensing and/or registry, is it safe to say that the association you represent in Lanark county—I think you summed up the numbers very well, and I appreciate that—are the providers in favour of a registry and licensing?

**Ms. Sarah-Jane Laberge:** Yes. I was able to get my numbers because people are more than willing to admit that they are an independent child care provider, and they feel that they have absolutely nothing to hide. The ones who do not admit, unfortunately, are the ones that have an issue to hide, so our area is very much in favour.

**Mr. Garfield Dunlop:** So it's safe to say that that's the position of the people in Lanark county?

**Ms. Sarah-Jane Laberge:** Yes.

**Mr. Garfield Dunlop:** That's what we're hearing from ICPs across the province, and maybe some of my colleagues might want to add to that—Ms. MacLeod—but I don't see the problem here with licensing ICP and/or a registry or both, and let's get on with it. If that's not something that would pass as an amendment, I don't know what would be wrong with this committee.

**Mrs. Gila Martow:** I think because it's not about—if I could jump in—it's not about licensing and it's not about registry. What I'm hearing today is that it's about numbers. It's about clients, it's about customers, and it's about who gets those customers. The attitude seems to be that the independent child care providers don't deserve to be taking care of our children. I feel the complete opposite. I like community-based child care where your kids are meeting kids from the neighbourhood, are walking over to the caregiver's house, not driving in the car for half an hour in bad weather like we saw this morning.

I salute you for coming down—I know it was hard for you to come down—and thanks for sharing your thoughts with us.

**Ms. Sarah-Jane Laberge:** My pleasure.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ms. MacLeod?

**Ms. Lisa MacLeod:** Thanks very much. Sarah-Jane, I mentioned you in question period today because I think it's important that people recognize the sacrifice you made today to come to Queen's Park and have your say. You spent a lot of money on a train, a lot of money—

**Ms. Sarah-Jane Laberge:** Plane.

**Ms. Lisa MacLeod:** You took the plane, so you drove into Ottawa.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Lisa MacLeod:** I'm just trying to make the point here that because we did not have province-wide hearings, Sarah-Jane and others had to travel a long way in order to come here and ensure that they had their say. She stood up for people from all of eastern Ontario, and I appreciate that. I wanted to say thank you for doing that, and I know there are people from as far away as Sudbury, Guelph, London, Barrie and elsewhere across this province who were crowd-funding for you so that you could be here today. I think that's a great statement for you.

**Ms. Sarah-Jane Laberge:** Thank you.

**Mr. Garfield Dunlop:** Thanks for coming, Sarah-Jane. It was a pleasure to have you here.

**Ms. Sarah-Jane Laberge:** Did I use up the full nine minutes?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You did. It goes by fast, eh? I'm always surprised how fast it goes. You did very well. Thank you.

I would ask if Holly Marsh is in the crowd. Is Holly Marsh here yet? I know we're running a little bit early, which very seldom happens in this place.

#### MONTESSORI QUALITY ASSURANCE

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would then ask Anne Laws, coordinator of the Montessori Quality Assurance, Association Montessori Internationale Consultation Group, to please come forward. Ms. Laws, you've been here for a little while; you've seen that you have five minutes to present. I will let you know when you have 30 seconds. Then we will go in rotation, and it starts with the Liberals. Ready?

**Ms. Anne Laws:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go.  
1940

**Ms. Anne Laws:** Good evening. Thank you for this opportunity. My name is Anne Laws, and I'm the coordinator of Montessori Quality Assurance, which is the Canadian arm of the Association Montessori Internationale's worldwide quality assurance program. I hold a master of education degree, a teaching diploma from the Association Montessori Internationale, and I am an auxiliary teacher trainer and trained consultant for the AMI, or Association Montessori Internationale. I am speaking today on behalf of the international standards of the AMI and the Montessori schools in Ontario participating in Montessori Quality Assurance.

Montessori Quality Assurance provides objective quality control to Montessori schools in Ontario, and across Canada, adhering to the international standards of the AMI. These standards have been determined by the scientific pedagogical committee of the AMI and are deemed to be essential characteristics of authentic Montessori programs. Schools participating in Montessori Quality Assurance are consulted by independent, highly trained consultants. These consultants are either Montes-



sori teacher trainers or are trained consultants, both of whom have gone through additional rigorous training for their roles.

As you have heard earlier today, the AMI was founded in 1929 by Dr. Maria Montessori and is highly regarded as a leading, worldwide authority on Montessori education. Montessori Quality Assurance serves parents seeking high-quality, authentic Montessori programs. Our office has received emails and phone calls from parents from the United States of America, from South America and from Europe who are seeking these recognized standards of Montessori education. Much like the International Baccalaureate program, the international standards of the AMI give parents consistency of program as they move between countries around the world or within the provinces of Canada.

Several neuroscientists have researched the benefits of high-quality Montessori education. Dr. Adele Diamond from the University of British Columbia, Dr. Steve Hughes, pediatric neuropsychologist, and Dr. Angeline Lillard, author of a book entitled *Montessori: The Science Behind the Genius*, all cite benefits such as higher executive brain functions, better outcomes from peer teaching, greater creative expression, greater academic achievement, greater self-control, all as outcomes of Montessori education. It is interesting to note that when they talk about these benefits, they qualify their remarks with the fact that these outcomes are observed in schools adhering to the international standards of the AMI.

Montessori Quality Assurance serves children by ensuring that its schools offer the complete holistic developmental program outlined by Dr. Maria Montessori, a program that meets the physical, emotional, social and intellectual needs of the developing child. When Dr. Montessori observed children 100 years ago, she identified then that education begins at birth. It's now widely accepted that the early years of a child's life will impact his overall development and his future. The educational environments she designed begin in the early years and build through adolescence. Montessori schools offer academic, educational programs and do not belong in a category with child care centres or nursery schools. The age groupings are identified in the document you will find in your background information, the attached document entitled "Essential characteristics of Association Montessori Internationale (AMI) environments in support of the full development of the human being."

Mixed age groups, then, are one of the essential characteristics of AMI environments. The other essential characteristics relate to group sizes, highly qualified Montessori teachers, the complete range of Montessori materials, the full-time program and the defined uninterrupted work cycle. More detail regarding these key principles can also be found in background documentation submitted to this committee.

The government of Ontario has strived to ensure the safety and well-being of young children by introducing Bill 10. Our concern lies in schedule 1, part I, purposes

and interpretation, sections 6 and 8 as defined. The concern exists around the likelihood that, as an unintended consequence of this bill, the implementation of high-quality Montessori programs will be impeded.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Anne Laws:** In order to preserve and protect these high-quality programs, we urge this committee to provide clarity on these exemptions and ask that AMI recognition offered to Montessori schools through Montessori Quality Assurance in Canada be recognized in the language of this bill. This will respect and preserve the principles of the Montessori pedagogy and enable the government to provide access to safe and effective programs for children in Ontario.

Thank you very much for your attention.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Five minutes exactly to the second. That was impressive.

We start with the Liberals. Mrs. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much. We've had several that are bang on today. This is a day you buy a lottery ticket when you get to that.

**Ms. Anne Laws:** I'll remember that.

**Mrs. Kathryn McGarry:** Thank you very much.

We've heard a fair bit from Montessori folks today, and I do want to reiterate that this government has reached out. We're still accepting a lot of submissions—written, email, letters, phone calls—and we have several hundred over here on the table that I invite the members opposite to go through at some point, if they feel we don't have enough submissions coming in. Some of them that I've been getting into my office are from some of the Montessori parents in my riding of Cambridge.

What I'd like to ask you is: When you have had discussions with the Ontario government, you may have noted that there have been some changes in our own pedagogy to sort of fall in line with the Montessori pedagogy. Do you think that's gone far enough for your members?

**Ms. Anne Laws:** Because our program belongs to an international body—and this is the group we work with, the AMI head office in Holland, the group we must work with, and the scientific pedagogy to ensure that we're meeting that standard, not just within Canada or Ontario but worldwide. As such, by meeting certain aspects, it's not enough. From an AMI perspective, it must meet the complete criteria that are set out in the documentation in terms of the various key principles for AMI Montessori or quality Montessori.

**Mrs. Kathryn McGarry:** Thank you. I wasn't aware that Holland was the head office.

**Ms. Anne Laws:** Yes.

**Mrs. Kathryn McGarry:** I know it was in there in my head somewhere, but I'd forgotten that.

Can you give us a little bit of an idea, then, of other jurisdictions—not just in Ontario—about some of the age-related concerns that we're talking about in Bill 10?

**Ms. Anne Laws:** Are you asking about other provinces in Canada or—

**Mrs. Kathryn McGarry:** Yes, other provinces, other countries or any other issues that have run into some of the changes that we're trying to make in the Child Care Modernization Act, in Bill 10.

**Ms. Anne Laws:** I don't feel I could address that knowledgeably, to be accurate with you today. I do know that each province differs, as it does for education. There are these provincial—they're different in each province. Unfortunately, I'm sorry, I can't—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Anne Laws:**—respond to that in depth knowledgeably.

**Mrs. Kathryn McGarry:** Okay. Thank you. I was just wondering—you are aware, I would imagine, that there would be no changes in the age group from three to five onwards?

**Ms. Anne Laws:** I think I heard that earlier today.

**Mrs. Kathryn McGarry:** So your concern would be from the 2.5—sort of that six-month time period, from two and a half to age three. That's the particular age group that your organization is more focused on in Bill 10?

**Ms. Anne Laws:** Again, we—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Unfortunately, we have to wrap it up here. I would ask Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much for your presentation. Obviously, the Montessori programs and the school system have gone over very well here today, because I think you made some clear points about the clarity you need around the legislation.

I just want to point out to MPP McGarry that I'll be happy to pick up the extra documents there. You have the ability, as the government, to have the whole Ministry of Education photocopy all you want over there on that side. I have hundreds of letters as well from ICPs. Maybe the Ministry of Education would copy those for all the people who are in this room. You know what? They're not the same letters. These are people who are opposed to what you're doing. This government has the money to photocopy that—

**Mr. Grant Crack:** A point of order, Chair.

**Mr. Garfield Dunlop:**—but not the money to travel this bill. That's what makes me sick.

**Mr. Grant Crack:** A point of order, Chair.

**Mr. Garfield Dunlop:** Oh, a point of order? You finally woke up, eh—to the parliamentary assistant. Good for you.

**Mr. Grant Crack:** Isn't that something?

**Mr. Garfield Dunlop:** Good for you. You woke up finally.

**Mr. Grant Crack:** Isn't that something? You should be proud of yourself.

**Mr. Garfield Dunlop:** You should be proud of yourself for the way you've handled this bill.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** A point of order, Mr. Crack.

**Mr. Grant Crack:** I think—

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Crack.

**Mr. Grant Crack:** Thank you. The point of order is, I think the member from Simcoe North should have the respect for the presenter and actually ask some questions.

**Mr. Garfield Dunlop:** I do have the respect for the presenter. It's you I don't have respect for.

*Interjection.*

**Mr. Grant Crack:** Unreal.

**Mr. Garfield Dunlop:** You woke up too, Mr. Dhillon. You've never asked one question all day.

**Mr. Vic Dhillon:** I read through all the submissions.

**Mr. Garfield Dunlop:** Not one question have you asked today. You're a real—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Dunlop, did you want to ask a question of our deputant?

**Mr. Garfield Dunlop:** No. I'm just congratulating her for a job well done. She's got the point across. I'm just condemning this bunch.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay—

**Mrs. Gila Martow:** Okay. I would like to speak to the speaker if we have a few seconds left.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mrs. Martow, go ahead.

**Mrs. Gila Martow:** What I've been trying to present today—I have four kids, and I can tell you that a two-year-old isn't a two-year-old isn't a two-year-old. There are some two- and three-year-olds who are starting to learn their alphabet and even starting to read and do some simple math, and then there are some four- and five-year-olds who are struggling—

*Interjections.*

1950

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Sorry, Ms. Martow.

Mr. Dunlop and Mr. Crack, please take your argument outside. We have a deputant who has travelled here late at night, and she deserves to have her time with the committee.

**Mrs. Gila Martow:** So, as somebody who is so knowledgeable, I would just want you to explain that. To pick an arbitrary number like a two-year-old, when a two-and-a-half-year-old isn't allowed into the Montessori school because they're not three—that's what I'm struggling with.

**Ms. Anne Laws:** I think Montessori has always excelled at observing the needs of individual children and recognizing that children are each different and individual, which is why the whole approach to education is very much based on allowing children to progress at their own pace. They're often taught or presented to aspects within the environment on an individual basis. As you said, if a child chooses to learn their sounds and begin to read and write very quickly, that child is not held back because of the group. It's a different approach to education in that way and, as I started my remarks by saying, has always excelled at observing the individual need of each child and allowing that full potential to be realized.

**Mrs. Gila Martow:** Exactly. I think that that's what concerns me and a lot of people here today—



**The Vice-Chair (M<sup>me</sup> France G  linas):** Fifteen seconds.

**Mrs. Gila Martow:**—that children will be held back. It was mentioned by the members opposite that before children can enter the school system, the cut-off is January 1. A lot of people know that that can be a problem; there's a child who is born a week too late, in early January, who's very advanced and should have been allowed in. Just because we have this arbitrary sort of age with schools—we know there's always a line that is tough to cross—doesn't mean we have to bring that over into child care, where there's that strict cut-off and kids lose out. Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Tabuns.

**Mr. Peter Tabuns:** Ms. Laws, thank you for coming this evening and presenting. I appreciate it.

I've asked other Montessori presenters today for details about what the difficulties are with the act, and I won't repeat that with you. You've noted in here which sections are of concern to you, and I note that they will provide me with more backup information. So I'm happy; I'll get that.

Can you tell me how you provide quality assurance? In our public schools, we have superintendents who oversee principals. We have a core of people whose job is to see that the schools are following the rules and the children are getting the training they're supposed to get. I don't understand precisely how Montessori is structured. I'm assuming each school is independent, that they are certified by your central body. How is quality assurance continued, say, through a school year?

**Ms. Anne Laws:** Each school, as you said, is independent, usually operates independently—owned and operates that way. The way Montessori Quality Assurance works is that it's an annual process, so each year a school must reapply, must go through that process of application, must show that according to these essential characteristics, they meet the requirements. They must outline them in their application and go through that review process again each year, must show that their teachers meet the qualifications that are specified, in terms of each one, that they meet each of these characteristics. They are also visited by, as I mentioned, an objective person, someone who is not connected to their school or any other school, an objective, highly qualified Montessori either teacher-trainer or consultant who knows what to look for when she or he is looking at a classroom, based on the work of the children and the way the adult is functioning in that environment. Are they functioning in a way that enhances the independence and

discovery-based approach of the children? Those consultants are trained to know what to observe, and that consultant will spend a full day in each environment, to sit and observe the way that full day unfolds for those children: how they're greeted, how the work cycle is fulfilled, how they transition to either outdoor or lunch—everything, the whole day.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Anne Laws:** And then they're provided with written comments. They're provided with one-on-one consultation with the consultant and the teacher and the assistants who work with those children and the administration, and often with the parent board, if there is one, as well. There's this very holistic approach to the whole school so that they can receive feedback and continue to grow to really offer the best quality they can.

**Mr. Peter Tabuns:** I think I've got a sense of it. Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. That was a good thing, because your time was up.

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you for your comments and to Ms. Laws.

**Ms. Anne Laws:** Thank you all very much.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would ask again if Ms. Holly Marsh is in the room. If she's not, she was scheduled to present at 8; it is four minutes to. You get a four-minute break. Be back in here at 8, or you can just hang around.

*The committee recessed from 1955 to 2001.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** I thank you so much for coming back to order, especially since I haven't seen any new people coming in. But just to be polite, is there somebody from CUPE Local 2484? We were expecting Holly Marsh, the vice-president, to come up, but I don't see her here, so that would conclude our meeting.

I just want to remind all the MPPs that we have until noon on Thursday this week to file our amendments to the bill. People have till tomorrow night for the written submissions, but the MPPs have till Thursday at noon for any amendments, so those have to be submitted to the Clerk by then.

Tomorrow, we start back in this room at 4 o'clock sharp. We have a long day. There will be supper provided, given that we go till 8:30 again tomorrow night.

I thank you for your patience and indulgence, and we will see all of you tomorrow at 4.

*The committee adjourned at 2003.*

## **STANDING COMMITTEE ON SOCIAL POLICY**

### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Substitutions / Membres remplaçants**

Mr. Grant Crack (Glengarry–Prescott–Russell L)

Mr. Garfield Dunlop (Simcoe North / Simcoe-Nord PC)

### **Also taking part / Autres participants et participantes**

Ms. Lisa MacLeod (Nepean–Carleton PC)

Miss Monique Taylor (Hamilton Mountain ND)

### **Clerk / Greffière**

Ms. Valerie Quioc Lim

### **Staff / Personnel**

Ms. Elaine Campbell, research officer,  
Research Services

Ms. Erin Fowler, research officer,  
Research Services



## CONTENTS

Monday 17 November 2014

Child Care Modernization Act, 2014, Bill 10, Mrs. Sandals / Loi de 2014 sur la modernisation des services de garde d'enfants, projet de loi 10, Mme Sandals .....	SP-3
Maria Montessori School parent group .....	SP-3
Ms. Iliana Arapis .....	
Association Montessori Internationale .....	SP-6
Ms. Sandra Giralto .....	
Ms. Kate Summerbell .....	SP-9
Child Care Providers Resource Network .....	SP-11
Ms. Doreen Cowin .....	
Ms. Brenda Burns .....	
Quality Early Learning Network .....	SP-14
Ms. Rebecca Barrows-Vrankulj .....	
Ms. Joan Arruda .....	
Today's Family Early Learning and Child Care .....	SP-17
Ms. Maureen Hall .....	
Ms. Brenda Ferguson .....	
Mr. Larry Storm .....	SP-19
Ontario Coalition for Better Child Care .....	SP-21
Ms. Carolyn Ferns .....	
Boys and Girls Clubs of Canada .....	SP-23
Mr. Duane Dahl .....	
Ontario Institute for Studies in Education .....	SP-26
Ms. Kerry McCuaig .....	
Home Child Care Association of Ontario .....	SP-28
Ms. Marni Flaherty .....	
College of Early Childhood Educators .....	SP-31
Ms. Lois Mahon .....	
Ms. Jane Bertrand .....	SP-33
Ms. Cynthia Chester .....	SP-35
Halton Child Care Providers Association .....	SP-37
Ms. Tracy Skelton .....	
Andrew Fleck Child Care Services .....	SP-39
Ms. Kim Hiscott .....	
The Learning Enrichment Foundation .....	SP-42
Mr. Peter Frampton .....	
Maria Montessori School .....	SP-44
Mr. James Brand .....	
Schoolhouse Playcare Centres of Durham .....	SP-46
Ms. Denise Gilbert .....	
Lanark County Independent Childcare Providers .....	SP-49
Ms. Sarah-Jane Laberge .....	
Montessori Quality Assurance .....	SP-51
Ms. Anne Laws .....	



SP-3

SP-3

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

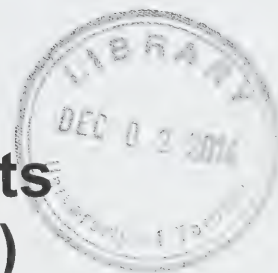
Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 18 November 2014

# Journal des débats (Hansard)

Mardi 18 novembre 2014



**Standing Committee on  
Social Policy**

Child Care Modernization  
Act, 2014

**Comité permanent de  
la politique sociale**

Loi de 2014 sur la modernisation  
des services de garde d'enfants



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Tuesday 18 November 2014

Mardi 18 novembre 2014

*The committee met at 1601 in room 151.*CHILD CARE MODERNIZATION  
ACT, 2014LOI DE 2014 SUR LA MODERNISATION  
DES SERVICES DE GARDE D'ENFANTS

Consideration of the following bill:

Bill 10, An Act to enact the Child Care and Early Years Act, 2014, to repeal the Day Nurseries Act, to amend the Early Childhood Educators Act, 2007, the Education Act and the Ministry of Training, Colleges and Universities Act and to make consequential and related amendments to other Acts / *Projet de loi 10, Loi édictant la Loi de 2014 sur la garde d'enfants et la petite enfance, abrogeant la Loi sur les garderies, modifiant la Loi de 2007 sur les éducatrices et les éducateurs de la petite enfance, la Loi sur l'éducation et la Loi sur le ministère de la Formation et des Collèges et Universités et apportant des modifications corrélatives et connexes à d'autres lois.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Bonjour, tout le monde. Good afternoon, everyone. The Standing Committee on Social Policy will now come to order. We are here for public hearings on Bill 10, An Act to enact the Child Care and Early Years Act, 2014, to repeal the Day Nurseries Act, to amend the Early Childhood Educators Act, 2007, the Education Act and the Ministry of Training, Colleges and Universities Act and to make consequential and related amendments to other Acts.

For the members of the committee, please note that there are more written submissions that have been photocopied for you and are on your desks. We encourage you to read those.

Each presenter here today will have five minutes to present. After four and a half minutes, I will interrupt you to let you know that you have 30 seconds left, and after five minutes, your microphone is cut off. Then it goes in rotation, with three minutes allotted to each caucus. So there's nine minutes of questions following your five minutes of presentation.

Yesterday, we started the questioning—actually, we started with the PCs, but I think we ended with the last presenter. That means we start again today with the PCs, but it's complete luck, because yesterday we ended with the government—

**Mr. Garfield Dunlop:** Well, they're the lucky ones.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Yes, absolutely. I thought you were lucky; you get to go first. No?

Bien entendu, si vous aimeriez faire votre présentation en français, ça nous fait toujours plaisir de vous accommoder et ça nous fait toujours plaisir d'entendre parler français. Il y a l'interprétation simultanée.

There is interpretation available for French to English and English to French.

COALITION OF INDEPENDENT  
CHILDCARE PROVIDERS OF ONTARIO

**The Vice-Chair (M<sup>me</sup> France Gélinas):** J'aimerais donc commencer. I'd like to start by inviting Heidi Higgins, co-founder, and Kim LeGallais, member, of the Coalition of Independent Childcare Providers of Ontario. Please come forward.

Ladies, do you feel ready?

**Ms. Heidi Higgins:** Yes. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go ahead.

**Ms. Heidi Higgins:** Good afternoon. My name is Heidi Higgins. I am a co-founder of the Coalition of Independent Childcare Providers of Ontario and I'm here to represent the concerns of our 1,200-plus members and their clients.

I would like to address the issues of oversight, safety and development as these three items seem to be the bedrock upon which the proposed changes to regulated care are made.

I'll speak about safety first. In its bid to deflect attention from its own mishandling of the case of Eva Ravikovich, the ministry has been implying, and as a result, the press and public have been inferring, that all unlicensed care is a risk to the safety of Ontario's children. Comparing unlicensed providers who follow the law with unlicensed providers who break the law is like comparing pharmacists to drug dealers. We may have children in common, but we are not the same.

CICPO has comparative analysis based on numbers provided by both the ministry and the Ontario coroner's office, as well as media reports on all the deaths that have occurred in unlicensed care since 2010. What this government seems to miss when it comes to these deaths is that with the exception of one, the deaths occurred either by illegal acts or in illegal daycares, not in daycares that are in compliance with the current regulations.

Let's look at the truth about safety in regulated care. On the side of regulated unlicensed, we have six deaths



in total, but only one that was determined to be an accident while in the care of an ICP in compliance with regulations. The other five children who passed away were the victims of either illegal daycares, illegal acts or, as in the case of two infants who passed away while sleeping, deaths that were considered to be undetermined.

On the side of licensed, and according to the Ombudsman, who received the information from the Ministry of Education, we have two deaths in licensed care.

The Minister of Education and I had a small debate about these numbers on Friday when we met. She said that the coroner's office noted four deaths in unlicensed and zero in licensed. But when I contacted the coroner's office yesterday to corroborate those numbers, I was told that they were unaware of having made that distinction and pointed out that it's the ministry's job to compile reports of deaths in care, not the coroner's.

Furthermore, the minister is under the misguided notion that the coroner's office flags deaths occurring in child care, when in fact the coroner's office is waiting for legislation to provide them with the definition of "care" so they can undertake that policy. So, how is it possible for the coroner to make that kind of distinction when they don't even have a classification?

In short, we have two deaths in a licensed population of 293,000 children and one death in a regulated population of 349,000. So which is safer?

With regard to serious injury reports, the following data comes from the Ministry of Education: From September 1, 2013, to August 31, 2014, there were 559 serious injury reports in unlicensed care and 585 in licensed care. Again, which is safer?

With regard to the matter of oversight, it is very clear this government cannot address this issue in this bill or any other. As CICPO has stated again and again, one cannot oversee what one does not know exists. This bill has no more power to locate illegal daycares than the current Day Nurseries Act has. While the bill will allow the government to fine illegal providers up to a quarter of a million dollars, it is still relying on public reports of non-compliance in order to find them. So the ministry's claim of Bill 10 providing oversight is a red herring meant to have the public believe that this government can actually prevent illegal daycares from operating.

These proposed changes to the numbers and ratios in ICP care will do nothing to improve safety. It is simply putting unnecessary restrictions on legal daycares that have a history of safety and compliance. While the ministry heralds Bill 10 as a panacea, it cannot provide oversight and will likely decrease safety in the child care sector as it will drive some operators underground.

Regarding the argument being made that these proposed changes will benefit children as they will provide an optimum developmental environment, it must be pointed out that these ratios are not required by licensed centres. In fact, the new proposed ratios for licensed centres is one provider to three children, zero to one year of age; one provider to five children, one to two years of age; and one provider per eight children, two to four

years of age. One wonders how a child's requirements for optimum development change, depending on whether or not the government has issued a licence to the operator. If it's a matter of safety, unlicensed caregivers are just as capable of removing five children from a burning building as a licensed operator.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Heidi Higgins:** In conclusion, the Ministry of Education can insist that Bill 10 will improve safety and oversight in child care without any negative impact on accessibility or affordability, but the numbers say otherwise. Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you so much. Will it be Mr. Dunlop?

**Mr. Garfield Dunlop:** Yes. Thank you very much. Thank you, Heidi, for being here today.

Heidi, a couple of questions: First of all, can you give us sort of a Coles Notes version on how you calculate the loss of around 140,000 daycare spaces? Second of all, I wanted to know, just while you're answering—the province puts about a billion dollars a year into daycare. Could you tell us how much money independent daycare operators receive of that \$1 billion?

**Ms. Heidi Higgins:** Children who are in the care of independent child care providers receive zero of that money, because we are not authorized to take care of subsidized children. So we get no funding from the government, and our clients don't get any funding from the government.

**Mr. Garfield Dunlop:** So it makes sense to put you out of business, then, eh? Okay.

**Ms. Heidi Higgins:** Pardon me?

**Mr. Garfield Dunlop:** It makes a lot of sense to put you out of business.

**Ms. Heidi Higgins:** With regard to the numbers, it's really simple math. We're doing the same thing that the ministry is doing. The ministry is suggesting that with allowing a provider an extra child, if they're licensed, going from five to six children, their math is that that is going to equal 6,000 extra spaces. They're not accounting for the fact that maybe not all providers can find the extra space, and they probably can't, because most agency providers are having a hard time filling their spaces now, because of full-day learning and the two-under-two ratio. It's very difficult to find full-time children with a two-under-two ratio restriction, with the advent of full-day kindergarten.

1610

So we just did basic math. The Ministry of Education gave us the percentages themselves: 20% of 1.8 million children is approximately 350,000 children. If we divide that by five, because that's the cap on the number of children a provider can care for, we have 70,000 providers. If we multiply that by two, because we're averaging a loss here—just as the ministry is averaging 6,000 more licensed spaces, we're averaging the loss. We're saying that with the inclusion of the provider's own children plus the restriction of two under two, there's going to be

an average loss of two spaces per provider, and that equals 140,000.

There's no real data to prove anything, even as far as the ministry is concerned, in terms of the number of ICPs out there. Nobody has concrete numbers on that. We're making an estimation.

**Mr. Garfield Dunlop:** Okay.

**Ms. Lisa MacLeod:** Just quite quickly, then: The Ombudsman, if you took his numbers, would have added this to be about 186,000 lost spaces.

**Ms. Heidi Higgins:** That's correct. He is saying that over 800,000 children are in ICP care, and we're going with the 350,000—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Lisa MacLeod:** So you're being far more conservative.

**Ms. Heidi Higgins:** We're being very conservative.

**Ms. Lisa MacLeod:** So it's over 140,000 child care spaces the Liberals are about to kill?

**Ms. Heidi Higgins:** Yes.

**Ms. Lisa MacLeod:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you very much for coming in today. The sentiment expressed by a number of independent home providers has been that they would like to be licensed, but they would not like to be licensed through an agency. Does an option of having governments directly license providers and setting standards for ratios and training appeal to the people you are representing?

**Ms. Heidi Higgins:** Absolutely—100% absolutely.

**Mr. Peter Tabuns:** When we talk about the ratios then, if you're licensed, you would have ratios that you would have to respond to.

**Ms. Heidi Higgins:** Our recommendation would be to lift those ratios from agency providers too for the exact reason that we are trying to prevent this from being implemented: because with full-day kindergarten, agency providers cannot fill their spaces either. That is why agencies are seeing a loss in their home daycare providers. Their providers are leaving agencies because of the cost associated with being with agencies and the fact that they cannot fill their spaces because of the restrictions. They're leaving the agencies and becoming independent providers.

If the government is going to do anything in order to level the playing field, what they should be doing is lifting the restrictions on agency providers and making it a five-under-10 cap, as it is right now with regulated providers.

**Mr. Peter Tabuns:** So the only ratio that you think is valid is five children under 10? What if you had five under two?

**Ms. Heidi Higgins:** Again, I think that question has been asked again and again in this room—

**Mr. Peter Tabuns:** Yes.

**Ms. Heidi Higgins:** —and the answer is going to be the same. It depends on the individual, the individual's

capabilities, the individual's comfort level, the parents who choose that provider. Personally, I have only ever met one provider who cared for more than three children under the age of two. Most providers will do a couple of one, two and three. But with the small amount of space that we have between 24 months and 48 months, let's say, there are just not enough children to fill three spaces. There's not enough of a population to fill three spaces.

**Ms. Kim LeGallais:** If I can just add as well, there's a big developmental difference as well. Taking five 12-month-olds is very different from taking five 18- to-24-month-olds. Last year, I had four children under two in my care. They were all walking. They were all independent. There's no issue—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Kim LeGallais:** It was great having that age grouping together.

**Mr. Peter Tabuns:** How many children do you have in total in your care?

**Ms. Kim LeGallais:** Currently, I have five. They're all two and three years old at this point.

**Mr. Peter Tabuns:** Do you have any children of your own that you look after as well?

**Ms. Kim LeGallais:** My own children are 10, 15 and 19. So—

**Mr. Peter Tabuns:** They don't count; I agree.

**Ms. Kim LeGallais:** They don't count now.

**Ms. Heidi Higgins:** The 10-year-old will, though.

**Mr. Peter Tabuns:** I don't have further questions.

**Ms. Kim LeGallais:** The 10-year-old will if this bill goes into effect, yes.

**Ms. Heidi Higgins:** That's right.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Timing was perfect. To the Liberals: Mrs. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much for your presentation today. I just wanted to point out that none of us has ever said that being in unlicensed care is unsafe. I've had a child in care since 1986 continuously—got 24 hours—

**Ms. Lisa MacLeod:** Point of order, Chair.

**Mrs. Kathryn McGarry:** I am continuing this. It means that I have still got a child in licensed care.

I think there have been some numbers being bandied about that 70,000 providers, five children each, results in a loss of 140,000 daycare spaces, but I just want to point out that it's very difficult to come up with those numbers, because nobody really knows. Those are estimates.

When we're talking about numbers, I'm just not sure if you're aware that other provinces within Canada already have legislation in place. Eight of the 13 actually do include the provider's children, and five do not. Our Ombudsman has asked us to step up to the plate to make sure that kids in care are safe, and he has asked us to update the Day Nurseries Act from 1946.

Do you not, then, agree that safety is utmost in the province and that we need to take a stance and update the act?



**Ms. Heidi Higgins:** That question is an implication that it's not safe now, and that's what we're responding to. What this ministry and this government are implying is that it's not currently safe, yet the data doesn't prove that it is not safe. There is no safety issue with the current regulations. That's number one.

You're correct that there are other provinces that do include children, but there are also other provinces that do not.

With regard to the numbers of losses, I have just 12 providers here—a list of 12 providers; that totals 69 children—and they're looking at 39 to 44 of those spaces being lost as a result of this bill.

People are not making these numbers up. They are actually doing the math. They're looking at the children's ages and what they will have to do when this bill passes. It's not hyperbole.

**Mrs. Kathryn McGarry:** I realize that. I also know that 12 providers is your own area, but there are other areas of the province—numbers that we've heard bandied about through other submissions that we were hearing yesterday. So I appreciate that it's hard to nail down these things.

In terms of the Ombudsman—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mrs. Kathryn McGarry:** —he is the one who is calling the four deaths in unlicensed care, and he has asked us to step up to the plate again to ensure that safety is of the utmost, and part of that is looking at numbers of children who are being cared for. There's a lot of data to support two children under two in the provider's home. Do you want to make just a last comment—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

**Ms. Heidi Higgins:** Yes, I would very much—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** No, sorry. Sorry.

**Ms. Heidi Higgins:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All the time allotted has been used. I thank you, Mrs. Higgins and Mrs. LeGallais.

## PARKS AND RECREATION ONTARIO

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now call upon Diane English, director, research, policy and communications, with Parks and Recreation Ontario, to please come forward.

**Ms. Diane English:** Good afternoon. My name is Diane English, and I'm the director of research, policy and communications for Parks and Recreation Ontario, known as PRO.

PRO is a non-profit association. We have over 5,200 members in municipal and non-profit recreation, health and health promotion, education, the private sector and many students. Our members provide recreation facilities and services to more than 85% of Ontario's residents.

PRO is a leader in quality assurance standards for sport and recreation programs, through the High Five

standard. High Five is Canada's quality standard for children's sport and recreation, established by PRO. It is delivered in 11 provinces and territories in both official languages.

High Five provides organizations with a quality assurance framework that includes policies for risk management that meet or exceed many of the standards within legislation for licensed care. It also offers training for program leaders in the principles of healthy child development. High Five has been recognized by the federal, provincial and territorial ministers as a key quality standard for after-school programs.

PRO is very grateful for the opportunity to present to the committee today on the important legislation before us. Modernizing Ontario's child care system is a vital undertaking that requires collaboration between many stakeholders and both legislative and systemic change that will benefit children, families and communities across the province.

PRO has been working with the YMCA, Boys and Girls Clubs and municipalities to ensure that recreation is recognized as a strong and integral part of the child care continuum and that any new legislation and regulation support the delivery of quality recreation programs for children—more specifically, for children aged six to 12.

PRO has provided written comments to the committee today. I've also brought copies, and I've submitted them online as well. PRO's comments focus specifically on those sections of Bill 10 directly related to the provision of recreation.

## 1620

Child care experts, recreation professionals and educators have all recognized that after-school hours are critical for children's physical activity, for reducing sedentary behaviour and for establishing healthy living routines. New studies report that children may get up to 30% of their daily physical activity between 3 p.m. and 6 p.m. Being active in the after-school time period also appears to positively influence physical activity during the rest of the day. Simply put, recreation programs meet the developmental needs of children, and there's ample evidence of the multitude of benefits that recreation provides for mental and physical well-being. The Ontario government, through its after-school initiative, has also invested significantly in increasing access to quality after-school recreation-based programs.

Parks and Recreation Ontario congratulates the government for recognizing recreation and skill-building programs within the proposed legislation and by using a broad definition for this. This definition will allow for more comprehensive regulations that will ensure high-quality recreation-based programs are delivered, using the best evidence and industry standards, such as the High Five quality assurance standard.

This new legislation also affords us the opportunity to create a clear and consistent approach to managing both licensed care and programs provided through authorized recreation organizations. The legislation should be as clear as possible, so PRO supports the recommendation

made by the YMCA in relation to the role of service managers. To ensure service managers are required to explicitly consult all the key stakeholders in the development of child care and early years programs and service plans for a particular area, we believe there should be an addition to part VI, section 51(4), and that is provided in our brief and also in the brief provided by the YMCA. It's a very small amendment suggested.

PRO encourages the government to continue to recognize the importance of recreation programs in the before- and after-school time period and to ensure that legislation and regulation enable and support quality programs.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Diane English:** We also encourage you to continue to engage with recreation providers and the stakeholders in our sector so that families have access to high-quality programs run by authorized recreation providers.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. We'll go to the NDP. Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you, Diane, for coming today and presenting. The amendment that you're putting forward for part IV, section 51: If that amendment was not passed, what will the consequences be?

**Ms. Diane English:** We would hope that in guidelines for consolidated service managers, it is explicit; that would be our second option. The first option is to be as clear as possible within the legislation itself. We know that consolidated service managers have a fantastic set of guidelines that they use now, and those guidelines currently recognize High Five as a standard for subsidized places. We know that although the whole system is undergoing change, we would like to see it in the legislation, recognizing, though, that there may be an opportunity within regulation or within those CSM guidelines.

**Mr. Peter Tabuns:** We had a child care provider here yesterday who was very concerned about recreation programs. Is there a competition at this point between parks and rec providers or Boys and Girls Clubs on one side and child care on the other?

**Ms. Diane English:** We see exactly the opposite. We see fantastic collaboration going on. An example would be a Boys and Girls Club that would have a licence-provided program in one room and a recreation-based program in another room. They are responding to the need in their community and they have partnerships, perhaps with a school, to provide some other programs. So we see a lot of complementary work going on. We stress the need for the clear and consistent approach, though, so that municipal recreation and non-profit recreation are held to the same standard.

**Mr. Peter Tabuns:** What's the difference between the programs that your member providers would put in place in a school and those that would be put in place by a licensed child care agency?

**Ms. Diane English:** A lot will have to do with the need in an area. Often our programs do use an ECE as well as a recreation provider. They use an ECE because they would have to if they are licensed. Then a lot will

have to do with age grouping. If it's a small community where they've got a diverse age range, they may say, "An ECE is our best choice"—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Diane English:** —“but we would want to have a recreation provider if we're really dealing with that six- to 12.”

**Mr. Peter Tabuns:** Okay. Thank you. I appreciate that.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. On the Liberal side: Mrs. Mangat, go ahead.

**Mrs. Amrit Mangat:** Thank you, Chair. Thank you, Diane, for your presentation. As the director of PRO, can you share with the members of the committee: For how long did the government start consulting with stakeholders like yours?

**Ms. Diane English:** The process began with the discussion paper that was published. I'm sorry, I can't remember the—

**Mrs. Amrit Mangat:** Just a rough idea.

**Ms. Diane English:** It's been a two-year process.

**Mrs. Amrit Mangat:** Two years.

**Ms. Diane English:** Yes.

**Mrs. Amrit Mangat:** Okay. Thank you. So I'm sure you must be hearing some concerns from your community. Can you share with us what types of concerns you are hearing and your organization was hearing? Also, can you tell us: How does this proposed bill address those concerns?

**Ms. Diane English:** The amendment that is suggested simply strengthens what is already there and makes it clear. The concerns that we are hearing from our providers remain to be a clear and consistent approach. If I may take a moment to turn back the clock to the legislation that exists now, it's very confusing and not applied consistently across the recreation sector. Our members are hearing now that they must be licensed, when in the past they have not had to be, because O.Reg 797 does not reflect what has happened in the past 15 years in recreation in terms of improved quality program delivery.

**Mrs. Amrit Mangat:** Yesterday I heard from some other presenters that safety is paramount. Did you hear that too? Is that a concern?

**Ms. Diane English:** Risk management is always top of mind for recreation providers. That's why in the High Five standard we actually don't recommend ratios, because we want them to conduct risk management analysis that is going to meet their needs. You have different risk requirements if it's a ropes course with eight- to 12-year-olds, versus a free-play ball program in a gymnasium.

The process that recreational organizations would use would be an approach to risk management that looks at the whole program.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mrs. Amrit Mangat:** You said earlier that there should be some kind of consistency. When you say that, do you mean that there are major differences between the



licensed and unlicensed sectors? That's what you're talking about?

**Ms. Diane English:** We are talking about for authorized recreation providers. This legislation provides us a great opportunity to really define that clearly, to improve the quality overall through regulation.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Dunlop?

**Mr. Garfield Dunlop:** Thank you very much for attending today. A couple of quick questions or comments: The changes you'd like to see made—I haven't read through the details of your submission yet, but are you saying that these are details that you'd like to see in the legislation, amendments to the bill, or is it changes in regulation that you'd like to see?

**Ms. Diane English:** It's a very small amendment that inserts a phrase. I'll just read it: "In developing the plan, the service manager shall consult with school boards"—insertion—"child care providers, third-party providers of before- and after-school services, and other prescribed persons or entities, in accordance with the regulations, and those persons or entities shall co-operate with the service manager for that purpose."

It speaks to the intent of the bill, which was to ensure that there is better coordination and to ensure that there is consistent quality.

**Mr. Garfield Dunlop:** Okay. I thank you for that, because your comments are along the same lines as the Boys and Girls Clubs, who were here yesterday.

**Ms. Diane English:** Yes. We've been working with the Ys and the Boys and Girls Clubs.

**Mr. Garfield Dunlop:** Okay. I think that we should make these amendments in the actual legislation, as opposed to in regulation, which—we're not sure where it's going to go.

**Ms. Diane English:** Right. Nor do we.

**Mr. Garfield Dunlop:** Lisa, do you have any more comments?

**Ms. Lisa MacLeod:** No. I agree with Garfield. I think that, in order for us to improve the legislation, we must deal with it specifically within the bill, so I think that it would be a commitment that the Conservative caucus would make to you that we would follow this up. I'm glad that you came here, because I think that we were focused a lot on child care—which we should be, because it is modernizing the child care act—but there are a number of unintended consequences, as we speak to many stakeholders like you. So would you agree that there are unintended consequences to the bill?

1630

**Ms. Diane English:** We continue to work with the Ministry of Education now to ensure that recreation remains a vital part of the system. Currently, there are about 500,000 children—not all of this in Ontario, but lots; this is my Canadian stat—in programs that have the High Five standard. So that's a lot of kids, thinking that more than two thirds of those are going to be in Ontario.

**Mr. Garfield Dunlop:** And, of course, we brought up the fact yesterday that there are all kinds of children 10

and under in sports like baseball and hockey and lacrosse, etc.

**Ms. Diane English:** Yes.

**Mr. Garfield Dunlop:** You're just trying to get, really, the clarification around those types of children as well.

**Ms. Diane English:** Yes, and we would strongly support—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Diane English:** —the primary focus as recreation being your swim program, versus the complementary, which is an after-school program where recreation is a complementary part of that program. That is an extremely important part of the bill that will help with clarity and consistency.

**Mr. Garfield Dunlop:** Okay. Thank you very much.

**Ms. Diane English:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you.

#### ONTARIO MUNICIPAL SOCIAL SERVICES ASSOCIATION

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would now call Petra Wolfbeiss, director of policy and public affairs at the Ontario Municipal Social Services Association.

Are you ready?

**Ms. Petra Wolfbeiss:** I'm ready.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Go ahead.

**Ms. Petra Wolfbeiss:** Thank you. Good afternoon. My name is Petra Wolfbeiss. I am the director of policy and public affairs for the Ontario Municipal Social Services Association. Thank you for the opportunity to be here today.

OMSSA represents the 47 consolidated municipal service managers and district social services administration boards who fund, manage and deliver child care and early years programs across Ontario. Our members represent local governments from every region across the province.

OMSSA and its members are pleased that Bill 10 confirms CMSMs and DSSABs as the service system managers of child care and early years programs and services and that the bill commits to integration of human services at the local level.

Bill 10 recognizes the important role of local government and municipalities in working with children and families in the communities where they live. It also affirms OMSSA's contention that working at the local level to integrate services and connect needs to available resources and services is the most effective approach.

As service system managers for child care and the early years, CMSMs and DSSABs will play an important role both in implementing the bill, if passed, as well as in modernizing Ontario's child care and early years system. Given this role, we assume that OMSSA and its members will work as partners in the regulation development process and all aspects and considerations of implementation.

To support the successful implementation of the legislation, it will be important that new requirements are enforceable, measurable and implementable. This includes ensuring that CMSMs and DSSABs do not assume risk, liability or costs under this legislation or its regulations.

What this means is that as CMSMs and DSSABs assume the service system manager role, they will be provided the time, tools and resources to fulfill all the obligations and expectations included therein. This includes in the areas of service planning, training and increased administrative requirements that may result from working with providers.

OMSSA members have identified a number of areas where clarification and appropriate resources to fulfill obligations are needed. It's not an exhaustive list, but it includes ratios and grouping.

Bill 10 includes new flexibility for agencies and service providers to meet community need. This includes home child care providers. To support this, the government must ensure capital funding is available to accommodate changes that may be required.

Home care providers can now have up to 12 children in their care. With municipal funding attached to home care providers, OMSSA, CMSMs and DSSABs want assurance that appropriate oversight and monitoring will be in place to ensure children are safe and well cared for.

In terms of the service system management role, municipalities and DSSABs must be provided the authority, tools and resources required to fulfill this obligation.

Overall, the bill is a good step towards integration, but it is not complete. Ontario Early Years Centres, and parent and family centres: How do they fit? What is the vision, and how will these services and systems be integrated?

Section 56 identifies the obligations of coordinating and planning for local child care and for assessing economic viability of the same local programs.

Section 62 identifies CMSMs' and DSSABs' role in identifying and commenting on licensing.

Section 16 includes the duty to report if there are any children at risk.

Finally, section 51 requires that service managers shall consult with school boards and other prescribed entities.

To support and promote coordination of funding and seamless access to services, the service system manager role must be reflected and utilized across all government ministries. For coordination to happen on the ground, it must happen across government.

Appropriate resources must be provided to CMSMs and DSSABs for staffing and administrative costs, to carry out expanded obligations and current unfunded mandates.

As mentioned, all obligations or requirements must be enforceable and must protect against increased risk and liability to municipal governments and DSSABs.

For the service system manager role to be effective, CMSMs and DSSABs must have the authority to align planning and administrative practices with all partners.

This includes aligning with municipal and DSSAB planning and budgeting processes.

Bill 10 is silent on special needs.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Petra Wolfbeiss:** CMSMs and DSSABs need to understand how the special needs strategy aligns with their current funding obligations.

Finally, as the government moves forward on the provincial interests and provincial policy statement, it needs to be something that CMSMs and DSSABs are able to respond to and implement and fund. The current system is underfunded, and we must make sure not to exacerbate these current pressures.

Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. I believe it's going to start with Mrs. Hoggarth. Go ahead.

**Ms. Ann Hoggarth:** Thank you very much for your presentation. I just wanted to make sure that I've got this right. You have been consulted, off and on, since the fall of 2013 on this bill?

**Ms. Petra Wolfbeiss:** Yes.

**Ms. Ann Hoggarth:** I just wanted to ask: What are your concerns with child care in the community, and how does this bill address them, as far as you're concerned?

**Ms. Petra Wolfbeiss:** From our perspective, as a provincial organization that represents municipal government, our key concerns are access and the ability for families and children to have spaces and spots to go into, and that there's not enough funding to accommodate that.

Under the bill, in terms of the concerns that we have directly, one of the things that our members have identified is home child care changing in ratios and groupings, and how there will be monitoring enforcement of that. Municipalities do have fee subsidies attached to children who are in this care, and we have to insure against any potential risk and liability.

**Ms. Ann Hoggarth:** Okay. Do you think safety concerns are addressed through this bill too?

**Ms. Petra Wolfbeiss:** Certainly, it's a significant improvement from what has been. I think that if the bill does move forward and works with municipalities and key partners, these issues will be strongly addressed.

**Ms. Ann Hoggarth:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Crack.

**Mr. Grant Crack:** You indicate that it's a good step forward, but it's not yet complete. You talk about the Ontario Early Years Centre, and the parent and family centres, and how they fit and what the vision is. Could you maybe elaborate on how you see how they would fit and how they could be integrated?

**Ms. Petra Wolfbeiss:** Sure. The bill speaks about the service system manager role—and I did a lot of editing on my submission, so I didn't get to all of it—about using the CSM/DSSAB role in terms of coordinating a seamless system of services and integrating human services. In order to do that, all of the key services that are on the ground, that parents and children and families interact with, need to be part of the planning system.



As I mentioned, the bill does not speak to special needs, because there's a separate strategy going on, as well as the current Ontario Early Years Centres and Parenting and Family Literacy Centres. So it's not clear, because families do access that. There is oversight in them from the CMSMs and DSSABs to different degrees—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Petra Wolfbeiss:** —so it's not clear how those will fit into a coordinated or an integrated system. It's a question.

**Mr. Grant Crack:** Okay, so it's not clear. Do you have any suggestions?

**Ms. Petra Wolfbeiss:** We need to have discussions in terms—because the government is also moving forward on Best Start and family and children centres. There is still work that I think has to roll out, so we're not sure what it means. I think you have to work with your municipal partners and your CMSMs and DSSABs to plan forward, to really understand what an integrated system looks like.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mrs. Martow.

**Mrs. Gila Martow:** I have some knowledge—in my former life, I was an optometrist. The kids in foster care—we all know that there's a shortage of foster homes. There are rules sort of similar to what this legislation is addressing in terms of how many of your own children you can have and how many foster children you can have of certain ages.

1640

We're hearing—and the numbers speak for themselves—that this is going to cut down on child care spots. We're all raising concerns that there aren't enough child care spots, so why would we be doing anything to limit child care spots?

The whole point is supposed to be about safety, and without enforcement we all know that there is no safety. What happens is, we get a call from the police and we start an investigation. That doesn't make anything safer.

Is your organization suggesting getting involved in monitoring, perhaps? That's why I'm bringing up foster care, because there are social workers who are in charge of each foster home—groups of them. They'll have maybe 30 or 50 foster homes that they're in charge of in, say, the GTA. They monitor, they visit, those homes every month. That's kind of what's missing from all of this: There's no effort being made to have specific people—six inspectors for the whole province. They're not going to get to each place until the workers have retired. Are you suggesting maybe a plan where organizations such as yours, for your demographic area, would hire specific people to monitor?

**Ms. Petra Wolfbeiss:** I will speak on behalf of our members on this. Specifically to foster care: It's not under municipal purview or our members' purview. Because of the fiscal pressures at the local level, our members are suggesting that current oversight and

licensing stay with the province. There is not the fiscal capacity at the local level to contract with other agencies or partners to do that type of work. I know, certainly for some of our members, it's something that they would like to have a role in because of their system, but they don't have the fiscal capacity to do that.

**Mrs. Gila Martow:** So in your meetings with the government, have they suggested providing you with the funding to monitor?

**Ms. Petra Wolfbeiss:** Licensing? No, we haven't discussed that.

**Mrs. Gila Martow:** Would you agree that what's missing from all of this is the oversight and who's going to pay for oversight?

**Ms. Petra Wolfbeiss:** That is an element of the bill that obviously requires some greater attention.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Mrs. Gila Martow:** I don't know if there's anything that Garfield wants to add.

In terms of monitoring, is there anything specific that you can suggest to us in 30 seconds that you're concerned with in terms of safety in child care in the province?

**Ms. Petra Wolfbeiss:** Certainly, there have been events that have transpired that have been of concern to everybody. Municipal governments' order of governance: Some of our members are in the business of direct delivery—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. I would ask Mr. Tabuns.

**Mrs. Gila Martow:** Okay, sorry.

**Mr. Peter Tabuns:** Thank you, Chair. Thank you very much for making this presentation today. I have a few questions that flow from what you've presented to us.

Talking about new flexibility for agencies and service providers, you say the government must ensure that capital funding is available to accommodate changes. Could you tell me precisely which changes you're referring to?

**Ms. Petra Wolfbeiss:** I think some of the groupings and the ratios—one of our members specifically, the city of Ottawa, has identified this: that in order to accommodate some of the age groupings, there will have to be changes to the actual centres, which will cost money in order to be up to speed with whatever the regulations will prescribe. If there are those impacts at the local level at centres, there needs to be funding to accommodate that. Municipalities and DSSABs do not have that luxury.

**Mr. Peter Tabuns:** That makes sense; thank you.

Second question: You note the potential for home care providers having up to 12 children.

**Ms. Petra Wolfbeiss:** Yes.

**Mr. Peter Tabuns:** And you say that we need assurance that appropriate oversight and monitoring will be in place.

**Ms. Petra Wolfbeiss:** Yes.

**Mr. Peter Tabuns:** I, personally, have difficulty with 12 children and two providers. What sort of expense are you thinking about, or resources needed, to monitor this?

**Ms. Petra Wolfbeiss:** The feedback, in consulting with our members, has been that there is concern around that number. They see it not necessarily as child care but more as a broader grouping and not one that's consistent with child care. Because of those numbers, they have identified concern that there could be some safety issues and that there be steps to make sure that appropriate monitoring and enforcement of safety and other regulations are put in place. It's not something that our members are suggesting they do themselves.

**Mr. Peter Tabuns:** Okay. My third question is about clarity on special needs and the provincial strategy on special needs. We noticed as well, when we went through the bill, that it didn't seem to be addressed, although in an archaic way the Day Nurseries Act spoke to it. Can you tell us what we need in this bill to actually ensure that these issues and these people's needs are dealt with?

**Ms. Petra Wolfbeiss:** Well, having those people's needs dealt with and our members' role in terms of the services and planning are two different things.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Petra Wolfbeiss:** Because of their funding responsibility, there needs to be some clarity in terms of how the strategy aligns with our members' responsibility to have an integrated and coordinated system of services. In terms of the broader special needs and addressing the needs, that's something that I feel is a little bit outside of the bill right now. But from our service manager perspective, we need to understand how all the pieces fit together, if we have this role, and it's not clear.

**Mr. Peter Tabuns:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

MS. KIM LEGALLAIS

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now ask back, actually, Ms. Kim LeGallais to come to the front. Welcome back.

**Ms. Kim LeGallais:** Thank you. It's my turn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ready?

**Ms. Kim LeGallais:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go.

**Ms. Kim LeGallais:** Thank you for the chance to speak today on Bill 10. My name is Kim LeGallais, and I am co-founder of CICPO, but I speak to you today as an independent child care provider.

It is my firm belief that the proposals in Bill 10 regarding ratios are going to put many providers out of work, create an increase in women seeking employment and having to find care for their own children, create an increased demand for child care spaces that will simply not exist, and do nothing to achieve its mission of improving safety and oversight. The intent of this bill is a good one, but its method falls far short.

I have been a home daycare provider for over 15 years. I began with an agency, as I felt it would provide more comfort to parents to know I was being monitored monthly. What I found was that the monitoring was often

more of a social visit that sometimes didn't even involve stepping inside my home. The parents who are in my home twice a day every day have been my monitoring and accountability.

In terms of ratios: I left the agency when I had an opportunity to take two 12-month-olds but couldn't because my own child was not quite two yet; he was 22, not 24, months. The agency ratios were not then and are not now realistic in light of the needs of today's families in Ontario. The current rule of five under 10, not including our own children, works and should even apply to agency providers.

Here are a few questions home child care providers are commonly asked:

"How can you possibly look after five children safely when I can hardly look after my one or two?" I can because it's what I do for 10 hours a day or more, five days a week, for over 15 years. I have a routine and expectations within my daycare home, and the kids know them. The dynamic between the child and their daycare provider is not the same as between that same child and their parent. I can get five toddlers dressed in snowsuits in 15 minutes flat. It takes the same time for a parent to get their one dressed. It's not because I do anything special; it is just a different dynamic. I would not be able to do the job of a surgeon or a judge or an MPP. Just because I couldn't do the job doesn't mean it can't be done and done well. This is what we do, and we have the education and experience that allows us to do it to the best of our ability. The assumption that we can't is based on opinion, not fact.

"How can you possibly get five children to safety in an emergency?" Any way I can. You would be surprised how many children I can carry when I need to. There are no deaths that have occurred as a result of fires or emergencies that a provider could not get their children out of in time. We do what we need to do in any given emergency situation. This concern is also based on opinion, not fact.

"Why shouldn't you have to follow the same rules as agency providers?" You're right. We should all follow the same rules. Mr. Marin reports that, "Licensed child care operations must follow health, safety, and programming rules and are subject to regular inspections. This has resulted in a disincentive to licensing and led to an increase in ... unlicensed caregivers."

I wholeheartedly disagree. The problem is not in following rules or being subject to inspections. We as compliant ICPs welcome those things. The problem is that the current rules for agency providers don't work across the entire sector. With children not coming into care until 12 months old and leaving for full-time school as early as three years eight months, we have a small window for full-time clients. There is no way to annually refill three spaces with children over two and under four. Every call I get is for 12-month-olds. In the last month and a half, I've had seven requests for care, and they were all 12 months old. Yes, we should all follow the same rules, but there is zero data to suggest that the



regulations we currently follow are unsafe or detrimental to care. Again, it is opinion, not fact, that says we can't safely look after five children under 10, including our own.

It has been said of the deaths in unlicensed care that one death is too many, and I agree: One is too many. However, there have been two deaths in licensed care, and no one heard a thing. Are those deaths unimportant somehow because they occurred in licensed care, less deserving of the huge amount of media attention that Eva Ravikovich's death got—a death that occurred not in an unlicensed home daycare, but in an illegal daycare centre?

1650

According to statistics collected from the Ombudsman's report and coroners' reports on deaths and injuries of children in Ontario, children are actually safer, statistically speaking, in ICP care than anywhere else. The real issue is not with the ratios; it is with the oversight, which will, in fact, worsen with this bill as it is.

In summary, I ask that you leave the ratios as five under 10, not including our own, and apply them to agency providers as well. I ask that you continue to define a child as under 10, not the proposed 13. I also ask that you allow independent providers to be individually licensed—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Kim LeGallais:**—giving us access to taking in subsidized clients and providing the tracking that the ministry needs in order to truly have the oversight that is needed. This will weed out the illegals.

Lastly, I must add that approximately 40 people speaking for five minutes each over two days is not enough time to get a full picture of how this bill will impact the entire province of Ontario. If it's still possible, please consider travelling these hearings. Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much, Kim, for your comments today.

**Ms. Kim LeGallais:** Thank you.

**Mr. Garfield Dunlop:** Believe me, we wanted to travel this bill a lot across the province. We thought it was that important. As you know, it's been time-allocated, and it will probably all end by next Tuesday night. We'll go into third reading, and that's nothing but a kangaroo court, that part of it.

I was curious. In your time as an operator, an independent care provider, have you ever had any kind of an issue, or do you have any colleagues who you work with or who are maybe in your association or in your community—have you had any problems at all with any kind of injury or safety to do with any of the children?

**Ms. Kim LeGallais:** Outside of the bumps and scrapes and that kind of stuff, none to my knowledge. My worst incident in over 15 years was a child requiring three stitches because she got a little too eager with her scooter and she fell. But no, none to my knowledge.

**Mr. Garfield Dunlop:** I guess the other thing I wanted to point out—because a couple of the government members have already today asked questions to the deputants and mentioned, "Have you had any consultation" like last year or whatever. I'm asking you, as someone who has been in business for a number of years, has anyone consulted you on Bill 10 or asked you to participate in any way on Bill 10 or the bill that preceded this bill?

**Ms. Kim LeGallais:** No, not until we became much more heavily involved and formed our coalition and became a lot more vocal. Prior to that, I found out through CCPRN and some of their providers when it was still Bill 143.

This is the other thing, too: If there was a licensing system and we were able to be tracked, we would be able to be made aware of any kinds of changes and therefore consulted as stakeholders.

**Mr. Garfield Dunlop:** So you have no problem with having any kind of a licence?

**Ms. Kim LeGallais:** Absolutely not, and most of us welcome it.

**Mr. Garfield Dunlop:** Okay. Do you have any problem with someone coming to inspect or monitor?

**Ms. Kim LeGallais:** No.

**Mr. Garfield Dunlop:** Because I'm still trying to figure who the inspection and the monitoring is going to be. I'm going to try to find that out at these hearings. I heard today that the Ministry of Education is cutting \$500 million out of its budgets in the next three years, so I'm not really sure where more new money is going to be found to monitor and closely look at your oversight.

**Ms. Kim LeGallais:** My thought on that—I don't know the numbers and the ins and outs, but the several million or billion dollars that are being put into child care: There's a whole sector of child care that is not getting access to any of that funding. In my perspective—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Kim LeGallais:**—you have a structure that's already in place. You have all of these ICPs who are willing to be licensed and monitored. If some of that money could go into creating that kind of system, that seems to make sense to me.

**Mr. Garfield Dunlop:** Okay. Thank you very much, Chair.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Vanthof.

**Mr. John Vanthof:** Thank you, Kim, for taking the time to come here.

**Ms. Kim LeGallais:** Thank you.

**Mr. John Vanthof:** You're the co-founder of the Coalition of Independent Childcare Providers of Ontario?

**Ms. Kim LeGallais:** Yes.

**Mr. John Vanthof:** When was this coalition created?

**Ms. Kim LeGallais:** In July.

**Mr. John Vanthof:** Was it created specifically to address what you felt was a lack of consultation?

**Ms. Kim LeGallais:** It was specifically created to raise awareness and education in the beginning, because there were many parents and providers, and there are still many parents and providers, who have no idea what Bill 10 is, what it's going to mean for them. So our original mission was to campaign and to educate and raise awareness.

**Mr. John Vanthof:** I would agree with you that there are—my riding is six hours north of here. We did a bit of an informal tour, and there are quite a few child care providers who are kind of in the dark about these issues, rightly or wrongly. I heard you say something about how you don't think this has been consulted widely enough. Would you, in your position, think that it would be more beneficial for the government to hear from a wider variety of people in this field?

**Ms. Kim LeGallais:** Absolutely. We've even heard over yesterday, and we'll hear more today. It's not just ICPs that are being impacted greatly. It's the Montessori schools; it's different agencies, Boys and Girls Clubs and whatnot. I think it's such a vast issue that it affects almost every family across the province. Forty people over two days just is not enough, in my opinion.

**Mr. John Vanthof:** In your presentation, you mentioned something about the high turnover because of the very small age gap.

**Ms. Kim LeGallais:** The small window, yes.

**Mr. John Vanthof:** Could you expand on that a bit? I found it interesting. You have a lot of 12-month-olds?

**Ms. Kim LeGallais:** That's the only request I get, and that's the only request most parents get. When I started doing daycare over 15 years ago, full-day mat leave was not across the board—I think my first little one came in at six months old—and it was half-day kindergarten, so kids were with me for many, many years, pretty much until they didn't require care anymore and they were in school full days.

Now it's very limited. You have full-year mat leave, so 12 months is the earliest most of them start. Then they're starting school at three years and eight months, at the earliest, depending on where their birthday falls. I don't do before-and-after care, because it's not worth it for me to hold a full-time spot for a child who's only there for an hour a day. That takes up a full spot. There are providers who do, but personally, I do not.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mr. John Vanthof:** My last: How do people approach you for daycare? Is it word of mouth?

**Ms. Kim LeGallais:** It's some word of mouth. I also have a website and I advertise on daycare there, and there are different Facebook pages in my community.

**Mr. John Vanthof:** Thank you very much for coming. I really appreciate it.

**Ms. Kim LeGallais:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. On the Liberal side: Mrs. Mangat.

**Mrs. Amrit Mangat:** Thank you, Kim. Thank you for being here. My understanding is that I heard you say that

we are hearing only 40 people who are travelling here. I think we are still receiving submissions.

**Ms. Kim LeGallais:** You're getting a lot of submissions, I'm sure. Yes.

**Mrs. Amrit Mangat:** We have received these ones, and we are still receiving emails. My understanding is that Minister Sandals traveled to Ottawa to meet with you folks.

**Ms. Kim LeGallais:** She did, yes.

**Mrs. Amrit Mangat:** She did. Right?

**Ms. Kim LeGallais:** Yes.

**Mrs. Amrit Mangat:** Correct? Thank you so very much. We are still receiving emails, as I said earlier.

I would like to make a point that this government has done more for education than the Tories. We are very proud of our record when it comes to child care and education.

What you are saying is that you don't agree with the Ombudsman's recommendations. He called for the modernization of the child care act. You don't agree with his sentiment?

**Ms. Kim LeGallais:** I didn't say that, actually. I do agree that it needs to be updated—

**Mrs. Amrit Mangat:** You do agree.

**Ms. Kim LeGallais:** It needs to be updated and it needs to be amended, no doubt. What is being proposed, I think, is not going to work.

**Mrs. Amrit Mangat:** Why?

**Ms. Kim LeGallais:** In terms of the ratios—

**Mrs. Amrit Mangat:** Can you share with us why it wouldn't—

**Ms. Kim LeGallais:** For all the reasons that I explained: the ages that they come into care, the ages that they leave care to go to school. That's a big one. The ratios are just not feasible for any independent provider to sustain her business.

**Mrs. Amrit Mangat:** Do you think that it wouldn't enhance safety?

**Ms. Kim LeGallais:** No. There are no statistics to show that having five children under 10—for the compliant, independent providers who are following the current rules that we are required to follow under the Day Nurseries Act, there's no data to show that that is unsafe.

The deaths that have occurred have occurred in illegal daycares, ones that were not complying with the rules that they are currently supposed to follow. If they aren't following them now, they're not going to follow the new regulations, which is why we're requesting to be licensed individually, so that there can be that greater oversight and monitoring that happens, and you can know where we are and how many children we have and whether we are current on all our safety checks.

**Mrs. Amrit Mangat:** So in your opinion, what should be the ratio and grouping?

**Ms. Kim LeGallais:** It should remain as is: five under 10, including our own children. If we really want to throw something on there, we can say no more than one under one, because I think that's reasonable, and put in a



cap. Put in a cap of children, so you can have no more than eight children, including your own—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Kim LeGallais:** —if you really want to put a number and a restriction on it.

**Mrs. Amrit Mangat:** So do you think that the safety of the children and the well-being of the children is not important to you? That's what you're saying?

**Ms. Kim LeGallais:** No, that's absolutely not what I'm saying. I'm saying there's no data to support that the ratios that we currently follow are unsafe. I believe absolutely that the safety of children is important—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mrs. Hoggarth is trying to get a word in.

**Mrs. Amrit Mangat:** Do you have any data to share with the committee?

**Ms. Kim LeGallais:** I'm sorry?

**Mrs. Amrit Mangat:** Have you any data?

**Ms. Kim LeGallais:** I'm telling you there is no data. There is no data to show that five under 10 is unsafe.

**The Vice-Chair (M<sup>me</sup> France G  linas):** And the three minutes is over. I'm so sorry.

**Ms. Kim LeGallais:** That's okay.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you very much for your presentation.

**Ms. Kim LeGallais:** Thank you.

1700

#### MS. JULIA DEWING

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would now call Ms. Julia Dewing.

**Ms. Julia Dewing:** I have a presentation, and we'll be ready in a minute.

**The Vice-Chair (M<sup>me</sup> France G  linas):** No problem. You wave to me when you're ready.

Ready? Go ahead.

**Ms. Julia Dewing:** Good afternoon, and thank you for having me present to you on Bill 10. I hope to bring to you a different point of view, because I'm speaking to you as both a mother and as a future daycare provider, so I'd like to tell you my story.

I studied to achieve a bachelor of science and then a master's, and I gained a promising, \$60,000-per-year, very flexible, stress-free, and enjoyable position as an environmental planner. However, in the past year, I decided to not return to my career following my maternity leave. I'm walking away from that career to enter a completely different world which, for some, would mean only very little pay, longer hours and more tiring labour, but to me, this new world means raising my daughter and creating a loving day family to raise along with her.

My husband and I purchased a home that would allow for a bright, main-floor daycare space. I took various courses and workshops in order to learn how to run a safe and lawful independent home daycare. I have now signed on two families to begin care with us in the new year. Everything is all set, except for the fact that if this bill

passes without amendments, I will have to let go of one of these families and only take one child into my care.

In the six weeks that I have been advertising my brand new home daycare, I've had 15 requests for interviews for care, for 15 infants all under the age of 15 months, with an average age of 12 months. I have not had a single request for care for a child over the age of two.

Having only one child would cause me to run my program for pay of approximately \$4.20 an hour. My family and I cannot afford to do this. Even with my two daycare families—which I couldn't keep, according to Bill 10—I would still be working for less than minimum wage. Only should I choose to grow and add a third family would I surpass minimum wage. But I would again be restricted by Bill 10, as children under two, specifically around 12 months of age, due to the typical length of parental leave, are the main group of children requiring care.

As a parent-to-be, I contacted numerous centres, who all told me that they only began taking children at the age of 18 months. It is already difficult to place 12-month-old children under the current regulations.

Those centres that do take children under 18 months have incredibly long waiting lists and charge a premium rate of \$70 per day in my area. These are the types of rates that will have to be charged by ICPs, making daycare even less affordable for parents, if this clause is not dropped.

Under current regulations, the provider-to-child ratio is roughly 1 to 3 for infants under the age of 18 months in centres, which is the same ratio that I would be providing but which would be illegal for me under Bill 10.

Further, rather than harmonizing child care across the sectors, this bill would cause a greater divide by proposing to increase ratios from 1 to 3 to 1 to 5 for one- to two-year-old children in centres.

Why is it that in my home, I cannot care for three one- to two-year-old children; however, in a centre, five would be cared for, in a group size of 15 children to three adults? How is that safer?

As I would not be allowed to use even the smallest of these ratios, I'm wondering if you could help me decide which child I should let go.

Of the 113 recommendations in the Ombudsman report, there's not a single recommendation about age ratios. The clause about no more than two under two needs to be eliminated and, further, we need to create a registry and a licensing system that is not controlled by a third party but rather allows each ICP to be licensed individually.

Enter our homes, inspect us, and provide fair, uniform regulation for all. If you, as the government, are truly attempting to make child care safer, you know that this is what you have to do. You cannot claim that this bill, devoid of any additional oversight or significant investments in inspection personnel, will make child care safer. You cannot claim that those currently breaking the law will stop doing so because of a few wording changes on paper that they may not even be aware of.

There are great examples that can be learned from, such as the system in British Columbia, which offers direct licensing, different ratios for different scenarios and, most importantly, the vast public consultation they used to arrive at the solution.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Julia Dewing:** That is how you create regulations that work for everyone. Please also note my scenario being legal along with 14 other scenarios.

If you pass this bill without its due amendments, you're taking away my parental choice to raise my daughter and every other parent in Ontario's parental choice of where to place their child in care.

Thank you for your time.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you so much. We'll start with Mr. Vanthof.

**Mr. John Vanthof:** Thank you very much, Julia, for coming to the committee and presenting.

**Ms. Julia Dewing:** It's my pleasure.

**Mr. John Vanthof:** If I may ask: Do you live in an urban setting or a country setting?

**Ms. Julia Dewing:** Yes. I live in Ottawa, in the city, just outside of the centre of the city.

**Mr. John Vanthof:** Okay. In your experience, would you think that child care—how do I put this? Would you think that the conditions would be different in the country or in urban centres? Basically, would the government have a better view of the issues facing child care if they actually looked at all parts of Ontario instead of just one part of Ontario?

**Ms. Julia Dewing:** Absolutely. For your first part, child care wouldn't necessarily change between urban and rural centres. You have the same amount of children coming in.

But for the second part of your question, rural centres are actually going to be affected the most by this, if people are being forced into going with agencies. There are absolutely no agencies to go with in many rural areas, and those people will have no choice other than to close down. And to put those children in care, people will have to travel up to 45 minutes to an hour to bring their child into care, rather than going to someone who might be down the street who might be more available to them.

So rural providers will be highly affected by this and definitely should have been consulted and had more of an opportunity to come in and speak.

**Mr. John Vanthof:** The reason I'm asking this is because I come from a very rural place and we used child care; I had a farm. If there's a lack of child care due to any type of changes in regulation, it will actually put a lot of farm kids at risk. That's why I'm asking these questions. I would like to make sure that the government has actually taken that into account.

**Ms. Lisa MacLeod:** You should let your own caucus know that, too.

**Mr. John Vanthof:** But it's an issue that has to be looked at. So, as far as the third party regulation, from

my take from your questions, you have no qualms with regulation itself?

**Ms. Julia Dewing:** Absolutely not. If there was a direct licensing from the government that you could apply for and achieve and you had to achieve certain characteristics in order to achieve the licence, and then you would be inspected every month, yearly or whatever it is that was decided upon with a bigger group of people, hopefully—I can't see any provider having an issue with that.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds. You're good?

**Mr. John Vanthof:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Crack?

**Mr. Grant Crack:** Thank you very much, Madam Chair. Thank you for coming. Is it Ms. Dewing?

**Ms. Julia Dewing:** Dewing, yes.

**Mr. Grant Crack:** Thank you; very good. So, you mentioned on slide 10 about the Ombudsman report and the number of recommendations that he made. I'm sure you're aware there's probably, I believe, 35 of his recommendations that are in Bill 10. You also make a comment after that the clause for two under two needs to be eliminated. I just wanted to share some information. I don't know that you had that with you.

The American Academy of Pediatrics, the American Public Health Association and the National Resource Centre for Health and Safety in Child Care and Early Education suggest no more than a maximum of two under the age of two. So, as a government, we take a look at these different associations that review these types of situations across, obviously, all of North America. I just wanted to make a point that our government takes those types of recommendations very, very seriously.

Could you just elaborate a little bit on why you think it needs to be eliminated?

**Ms. Julia Dewing:** Absolutely. So, for a few of your points—first, you mentioned the Ombudsman report and—was it 34, I think you mentioned—

**Mr. Grant Crack:** Thirty-five.

**Ms. Julia Dewing:** Thirty-five—if I may comment on that first?

**Mr. Grant Crack:** Sure.

**Ms. Julia Dewing:** The Ombudsman report was meant to address illegal daycare to begin with. Heidi Higgins has met with the Ombudsman. He has said himself that you cannot fix one problem by creating more problems, and he didn't actually comment on ratios in the report itself. He didn't make any recommendations regarding ratios or say that there were any problems with them.

So it's wonderful that some of the recommendations are being addressed, but if they're not all being addressed—35 out of 113—there's definitely more that are not being addressed.

1710

He made many recommendations. There's one here. He said we should "continue to pursue amendments introducing more safety controls such as criminal refer-



ence checks for child care providers. It is also too early to close the door on other options such as developing a comprehensive voluntary or mandatory registry, extending the licensing scheme to informal caregivers and/or establishing universal standards....”

There are many recommendations in there that definitely may work—to say that this bill is well written, but there are many more—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Julia Dewing:** —that I would say go towards that it’s not.

If you want me to continue with your question for the two under two?

**Mr. Grant Crack:** Yes, please.

**Ms. Julia Dewing:** To that, if all of these agencies are saying that two under two is unsafe, I do not understand how the bill is recommending that the ratios increase in centres to five under two. If I personally can’t take care of three kids under two, but someone in a centre can take care of five under two, and then there’s 15 children—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. It will come around.

Mrs. Martow.

**Mrs. Gila Martow:** There’s a lot of repetition from people making presentations—and thank you for your great presentation. What I keep wondering about is: Why is such a preference being given to these big centres when we’re all aware that a lot of small towns exist where there are no big centres and there will never be any big centres?

As my colleague mentioned, in rural settings, what are parents going to do if they can’t find something accessible? They’re not going to drive two hours to bring their kid to daycare and drive back two hours to do the chores. They’re just going to bring the kid into the barn and they’re going to plunk the kid down in the hay and sort of hope that the dog is keeping an eye on the kid. There is no daycare for the kid, and it’s going to go back to the old days. They’re going to put them in a caboose and carry their kid around in one of those handkerchief slings and do the farm chores.

I think it’s naive to think that people cannot take care of two infants. There are plenty of women I know who have had triplets, and with fertility treatments, we’re seeing more of that. Is this government suggesting that these women aren’t able to care for their kids? We’ve all seen the videos on Facebook about people with quadruplets. They have special tables; they have a special system; they have child-proofed their basements and their kitchens. It’s not like walking into a restaurant with four infants. It’s in a house where you’re set up for that.

My question to you is: Why do you think the government is doing this?

**Ms. Julia Dewing:** I personally believe that there’s an attempt to right the wrongs that have been done, and those are the deaths that have occurred, which were highly unfortunate. However, we know why they have occurred, generally. It was the lack of oversight. It was the

lack of response to what was an example of four complaints against a particular house and not going to look into it, and then a death occurred there. I think this is an attempt to remedy that, but it’s not being done properly, and instead of rectifying the problem, it’s going to cause many, many more issues.

**Mrs. Gila Martow:** To me, the next step after this bill is to license parents—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Julia Dewing:** We actually discussed that.

**Mrs. Gila Martow:** —because there are injuries in people’s homes as well. In fact, a lot of times, the daycares are safer and they’re more childproof than people’s own homes.

I want to thank you again. What I want to suggest, without putting words in your mouth, is that I feel there is an effort to move children. They’ve lost children to the full-day senior kindergarten program. The large daycare centres are suffering because of it. They’re asking the government, “Find us some kids to take care of,” and they said, “You know what we’ll do? We’ll shut down the home daycares, and here are some kids.” Bingo.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

MS. BECKY KURZ

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now call Ms. Becky Kurz to please come forward.

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Are you ready?

*Interjections.*

**Ms. Ann Hoggarth:** Point of order.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Point of order.

**Ms. Ann Hoggarth:** I think Mr. Dunlop, the MPP, needs to withdraw something.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** This is not a point of order.

I would call on you to please start your presentation.

**Ms. Becky Kurz:** Good evening. My name is Becky Kurz, and I’d like to thank you for the opportunity for me to come to speak on Bill 10. Today, I’ll speak in two perspectives: as a parent and also as an independent care provider.

As a parent, I found it difficult to find part-time daycare for my daughter, who was nine months old at the time. I visited licensed facilities and home daycares. Home daycare was my first choice.

My daughter’s independent daycare provider far exceeded my expectations. All the children were similar in age, plus the provider’s three children were very small, although she did hire help. Never once did I question my child’s safety. I now have three children, ages nine, seven and four. Since then, we have chosen many informal and independent child care settings where my children have thrived and continuously been loved.

I opened my own part-time daycare in September 2007. These are some of the 28 children and one employee I've had the privilege of working with, and I consider them part of my family. I keep in touch with each and every one of these families. My former employee went on to obtain her ECE and now works in the school system.

I run a safe, educational and fun program with lots of love. My daycare families choose my daycare because we are the right fit for each other. I don't have to do daycare as I am still a part-time accredited music therapist. However, this is what I choose to do. This is what I love to do.

I'm going to speak on three points of concern for me in the bill, which are: including the provider's children under the age of six in the total number of children; no more than two under the age of two; and licensing.

Every death is tragic, and every child needs a safe environment. However, statistically speaking, children in independent care are safer than in regulated care, especially when you consider the independent care is estimated to be higher than regulated child care. Since 2007, there has been the one confirmed death of Allison Tucker, who passed away in a law-abiding independent daycare, and it was deemed accidental. In the same period of time, two children died while in regulated care, as stated in the Ombudsman's report. Independent child care should not be lumped together with illegal daycares, because they are just that: illegal.

With FDK, many regulated caregivers and centres are finding it difficult to fill their over two spots which make their businesses viable. It will inevitably affect independent providers if Bill 10 passes with the no-more-than-two-under-the-age-of-two clause.

This year, I will lose four of my older daycare children as they will be moving on to new adventures. My remaining child is under the age of two. Almost all children coming into care are around 12 months old. How do I fill my remaining spots? With two children in care, and after expenses, I can no longer viably sustain my business and I will be forced to close or else raise my rates.

For parents, it limits these essential spots, leaving them at a premium, and further limits availability for parents of multiples. If there are not enough daycare spaces, parents will be forced to remain at home rather than rejoin the workforce. Because of FDK, a provider's children over three years eight months should not be included as they will be in school full-time. A cap of eight total children under the age of 10, including the provider's children, may be incorporated as this is in line with six other provinces in Canada.

I believe that all home daycares should be individually licensed for a reasonable fee—less than \$500 per year. Currently in Ontario, no home daycare is licensed. The agency holds the licence and subcontracts the daycare provider for thousands of dollars each year. In BC, the provider can obtain a licence directly through the government's health group and must adhere to certain standards. Annual fees may vary, but can be as little as \$50 per year.

In conclusion, please amend the two-under-two clause and the inclusion of the provider's own children under the age of six. I implore you to allow daycare providers to be individually licensed for a reasonable fee. This will allow for an increase in subsidy spaces. Have unscheduled inspections. Make first aid and CPR mandatory. This will give oversight and increase safety—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Becky Kurz:** —because the whereabouts of daycares in Ontario will be known and the ministry can inspect without having to rely upon a complaint before being able to shut down a substandard daycare. Most of all, it will allow for loving and safe daycares to continue to provide our essential service for the children in Ontario.

I love my job. I love my daycare families. Please make changes to this bill to improve safety while allowing daycare providers to continue to do what we love to do. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. We go to Mrs. McGarry.

1720

**Mrs. Kathryn McGarry:** Thank you so much for your presentation, Becky, and your pictures. That's probably the best part of our day. I appreciate the passion.

**Ms. Becky Kurz:** They're the best part of my day.

**Mrs. Kathryn McGarry:** They certainly are. As a parent of many children, I'm delighted to hear your focus on safety.

I've got several questions for you. I just wanted to let you be aware that the Ombudsman has called on the province to take urgent action to protect children in unlicensed daycares, and part of Bill 10 is going to address that. Do you have any further comment about whether you feel this bill does or does not address the Ombudsman's concern?

**Ms. Becky Kurz:** I think that unless you have some kind of licensing system in place, for a reasonable fee—individually licensed—it's not going to address the safety concerns.

In fact, the Ombudsman met with Heidi Higgins yesterday. He was directly asked if he recommended reducing the ages and numbers in child care for ICPs, and he's not recommending this. He in fact stated that he was sympathetic to our concerns and that the government is not supposed to fix one problem only to create another. He also has offered his support to ICPs.

**Mrs. Kathryn McGarry:** I noticed that your children's ages right now are seven, nine and four.

**Ms. Becky Kurz:** Yes.

**Mrs. Kathryn McGarry:** If your children are not included in it, except for the four-year-old, will that change your numbers as an independent provider? Under the way that Bill 10 reads now, just one of your children would be included.

**Ms. Becky Kurz:** Yes, my one child will be included, but as it stands right now, I will be losing four of my older daycare children. I will have one child left who is



under the age of two. If I can only get a 12-month-old or a 15-month-old or a 20-month-old in my care, that means I will have two children. So, yes, it will affect my business.

I've been in business for eight years. I'm very passionate about what I do. I love my kids. But this essentially will shut me down.

**Mrs. Kathryn McGarry:** Is it partly that the kids are now at junior kindergarten and senior kindergarten, from a few years ago? Through this transition period, if this bill goes through and takes longer to get through—let's say there was another year's grace to sort of get through some of this transition, now that all kids are in full-day kindergarten—would that make a difference to your business?

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Becky Kurz:** I guess my question would be: Would the JK kids get older? The fact of the matter is that what sustains our business right now—I used to be able to have four- and five-year-olds who came after school, and I could make my business work through that, but when four- and five-year-olds are now in school, my clientele has dropped to 3.8 years and less.

**The Vice-Chair (Mme France G  linas):** Thank you.

**Ms. Becky Kurz:** If there's a significant change—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Dunlop.

**Mr. Garfield Dunlop:** To Mrs. MacLeod.

**The Vice-Chair (Mme France G  linas):** Mrs. MacLeod.

**Ms. Lisa MacLeod:** Thanks very much, Becky. It's great that you travelled all the way here. As you are aware, the Ontario Progressive Conservatives demanded that we have province-wide hearings. I think it would have been good to actually travel this bill to Ottawa, so that many of you who have made it up from Ottawa and Lanark wouldn't have had to spend money of your own to come here to present to your Legislature. But anyway, we are here—the Liberals didn't listen—and I want to say thank you.

You picked up on a point about the Ombudsman; I've asked a lot of questions on this in the Legislature, as you're aware. In one of the responses to me, the Minister of Education effectively called independent child care operators illegal. I met with the Ombudsman. He happens to live in Nepean—Carleton—fancy that—just around the corner from my constituency office, so I invited him in. We were talking about Bill 8, which I'm the Treasury Board critic for, so we were having a conversation.

Toward the end of the meeting, I said to Andr  , "Listen, why is the minister calling these independent child care operators illegal? She's suggesting that that's from you."

He said, "They're not illegal. I've never suggested that. In fact," he said, "I've never suggested, not once, that we should eliminate independent child care operators."

You know what the interesting thing is and, I think, the hypocrisy of all this too, Becky? What bothers me the

most is the number of government members, and even some from the third party, who will talk about the need for a universal child care system; they're doing it right now in the Legislature. But at the same time, do you know what they say—a lot of them? They do just what I do. They have an independent child care operator who looks after their children. We heard that, of course, last week when we were in front of the Minister of Government Services—sorry, the House leader—when we were in front of his office. Remember that? He, too—it's just the hypocrisy of the whole thing.

**Ms. Ann Hoggarth:** Is there a question?

**Ms. Lisa MacLeod:** You know, I'm allowed to use my time for what I want to use my time for. That would be something that these new members for the Liberals would learn if they paid attention instead of just getting notes from the staff.

But one of the things I'd like to know from you, Becky, is if that was your view as well from the Ombudsman—that, again, he doesn't think that you're illegal, and he also doesn't think that we should eliminate you—and finally, if you also think it's hypocritical for those in the government who are trying to eliminate you while at the same time using your services. Please, I'd love to hear your response.

**The Vice-Chair (M<sup>me</sup> France G  linas):** In 30 seconds or less.

**Ms. Becky Kurz:** Okay. I heard from one person over on this side today saying that they used independent daycare. I've heard from Liz Sandals that she has used independent daycare, and from Yasir that he has used independent daycare. I believe I heard from one other person, but unfortunately I can't put a face or a name to it right at this point. We are not illegal.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Vanthof?

**Mr. John Vanthof:** Thank you very much for coming, Becky. Our party doesn't always agree with the Tories, but one thing we do agree on is that this bill should have been travelled so that more people could have actually had input.

But I did hear you say—and I think that that has also been a theme here—that you're not against regulation.

**Ms. Becky Kurz:** No.

**Mr. John Vanthof:** And what I heard you say is that if this bill could have some useful amendments—one would be that independent operators could be individually licensed. Right? Could you tell us what difference that would make again, and just expand on that, please?

**Ms. Becky Kurz:** Right now, as it stands in Ontario, you are actually not licensed. The agency holds the licence. I think in my report that I gave to you guys, there is a sample. Based on an agency charging \$40 a day, the provider, at 30%, would only receive \$28 per child per day. That's actually a cost of, if you look at five children in care, over \$15,000. If you look at six children in care, that's over \$18,000.

I believe that we can take from the BC model, where you can be individually licensed through the government

for a nominal fee—I've heard varying cases, but for as little as \$50 per year. You can have inspections; you can make sure that these daycares are known and you can find these daycares. You can't close down what you can't find. You can't increase the safety of a daycare unless you can find it.

**Mr. John Vanthof:** So with what you've seen from this bill—and you've shown your obvious level of interest by coming and making a presentation—this bill won't help find the truly illegal daycares?

**Ms. Becky Kurz:** No.

**Mr. John Vanthof:** Okay. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. I would like to thank you, Ms. Kurz. Nice pictures.

MS. LISA MacDONALD

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I'll call Lisa MacDonald.

**Ms. Lisa MacDonald:** Can I have the tea and the water here?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Oh, absolutely.

**Ms. Lisa MacDonald:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Welcome to Queen's Park. Are you ready?

**Ms. Lisa MacDonald:** Thank you. I'm ready.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go ahead.

**Ms. Lisa MacDonald:** Thanks. I would like to thank the committee for the opportunity to speak with regard to Bill 10. I'm a registered early childhood educator from Ottawa. I'm the mother of three children, aged seven, three and one year.

I'm a proud independent child care provider. I currently provide care to five children, including my own. Four of them are three years old. Due to their closeness in age, they have become, as they say, best friends. Next September, they will be off to full-day kindergarten. A new group comprised of infants would normally replace them, because that is where the need lies.

I am also a proud member of CICPO. I fully support their recommendations for five children under 10, not including our own. I spoke to four licensing agencies in my area. They all agreed that the vast majority of requests are for care of one-year-olds. I learned that the proposed addition of a sixth child is not a guarantee. They authorize the provider to take on the sixth child based on the size of your home and their own evaluation.

1730

Agency providers receive a government bonus every three months. I have been told it is normally equal to one week's pay. That is a large commitment of financial resources to providers affiliated with agencies.

I believe an investment is needed to oversee independent child care providers. Please consider individual direct licensing. I conducted a small, informal survey, and ICPs were willing to pay, on average, \$150 per year for a licence. Perhaps the ministry could reinvest this fee to offset the cost of inspections. We welcome licensing and

oversight. The vast majority of us are competent and passionate, and follow regulations. The current regulations are not the issue. The issue is illegal home daycares. I believe that the section of the bill that requires providers to disclose they are "unlicensed" should be amended to "independent," due to the fact that we are unable to obtain a licence. We want a licence. Please give us that opportunity.

I believe that many parents are unaware of how this bill could impact their chosen child care arrangements. Even if their child is currently in a licensed child care centre, proposed ratio changes will ultimately mean that their child will receive less attention. If proposed regulation changes are not amended for all providers across the board, all children and providers will suffer the consequences.

At minimum, this bill should establish a registry. I fully support the framework laid out by the CCPRN. It removes all liability from the Ministry of Education and places responsibility on parents for monitoring their own daycare arrangements. Standards would be met. Inspections would be done. This would provide a real oversight.

According to a report by Martha Friendly in 2012, the cost for infant care in Ontario is \$12,000. The purpose of Bill 10 is to align with the needs of today's families. Ontario families need affordable infant care. Parents shouldn't be faced with competition for expensive infant spaces when they're returning to the workforce.

Each day, I work with parents with whom I have a close relationship. They rely on me to meet the needs of their child while they work. They have to know that their child is safe and well cared for, and I take that responsibility very seriously. Your constituents are made up of families, so ultimately, you strive to meet their needs as well.

What they don't need is for their provider to terminate their child's care that they rely so heavily upon. What they don't need is for their child care costs to increase. Parents must be able to provide for their children, and eliminating spaces and driving up the cost of child care is counterproductive of the intended purpose of this bill.

Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. We go to Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much, Lisa, for your passion on this bill. You gave us a great presentation—

**Ms. Lisa MacDonald:** Thank you.

**Mr. Garfield Dunlop:** —and we're starting to see a number of these come forward. I've got to tell you that I've got, like, 300 letters now from people like yourself across the province.

**Ms. Lisa MacDonald:** There are a lot of women.

**Mr. Garfield Dunlop:** We are hoping that the bill can either be amended or the regulations will actually include people like yourselves and include what you've actually said here today. We know it has been time-allocated; there has been some rush put on the bill. That's why people from all over Ontario have tried to rush down here



to make their comments, sort of overnight. We know that they've even time-allocated clause-by-clause, so it's all going to be finished by next Tuesday night.

**Ms. Lisa MacDonald:** I know. It's very fast.

**Mr. Garfield Dunlop:** That's kind of a tragedy, when you think that all parts of the province need child care—

**Ms. Lisa MacDonald:** They do.

**Mr. Garfield Dunlop:** —and everything has been centralized on University Avenue and not the opportunity—

**Ms. Lisa MacDonald:** That's true.

**Mr. Garfield Dunlop:** Do you think—

*Interjections.*

**Mr. Garfield Dunlop:** I'll ask the question when I want, okay? I can make a few comments, okay?

The reality is, there are literally thousands and thousands of jobs that are going to be impacted by this. Lisa, I'm wondering: As you look around the province with your colleagues, how many people do you know who will actually shut down their operation?

**Ms. Lisa MacDonald:** I actually have a statistic for that. The CCPRN conducted a survey of 800 ICPs, okay? Seventy-three per cent said they would have to terminate a space. This is a big deal. They're letting go a family, a family they have close ties with. They're telling those parents, "I'm sorry. I can't take your child anymore." That is devastating to the provider, it's devastating to the child, and it's devastating to the parents. Okay? So 82% would have to raise rates; 58% would have to look for alternative employment. Women with two-plus children—51% would have to look for care of their own children.

**Mr. Garfield Dunlop:** Okay. Thank you.

**Ms. Lisa MacDonald:** That answered the question?

**Mr. Garfield Dunlop:** Yes.

**Ms. Lisa MacDonald:** Okay.

**Mr. Garfield Dunlop:** Lisa or Gila?

**Ms. Lisa MacLeod:** I think that we're setting ourselves back a great deal. We had a national discussion on this in 2006—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Lisa MacLeod:** —and I think the province decided where to go. I really feel we're having this beer-and-popcorn debate, where the Liberals think they should take away our choice in child care. What's your thought on that?

**Ms. Lisa MacDonald:** Parents deserve the choice, okay? Parents are not being forced to go with ICPs; they're choosing ICPs. There is the licensed centre model, there is the agency model and there are independents. It's a personal choice. It's a personal choice that we, as citizens, have, and—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Vanthof?

**Mr. John Vanthof:** Thank you, Chair, and thank you very much, Lisa, for making your presentation. It was a good one. It is a good one.

**Ms. Lisa MacDonald:** Thank you.

**Mr. John Vanthof:** We have heard over and over that independent child care operators aren't against regulation—

**Ms. Lisa MacDonald:** No.

**Mr. John Vanthof:** —and you want to be inspected and licensed.

**Ms. Lisa MacDonald:** We do.

**Mr. John Vanthof:** And, at this point, you're not able to be.

**Ms. Lisa MacDonald:** Right.

**Mr. John Vanthof:** So this legislation—it could be amended to make it better.

**Ms. Lisa MacDonald:** It absolutely could.

**Mr. John Vanthof:** You have suggested some amendments to make it better.

**Ms. Lisa MacDonald:** Yes.

**Mr. John Vanthof:** That's why you're here.

**Ms. Lisa MacDonald:** Absolutely. Let's improve this.

**Mr. John Vanthof:** I'd just like to put it on the record that we also voted not to time-allocate this bill and to bring it across the province to get more input like what is coming from people like you, and—

**Ms. Lisa MacDonald:** There is still some time to—

**Mr. John Vanthof:** I'd really like to commend you for coming and advocating so well for something you obviously love. Thank you.

**Ms. Lisa MacDonald:** Thank you very much.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you, Ms. MacDonald. I would like to call Felix Bednarski—

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** Oh, sorry. I did that yesterday, too, but I did it to them. So now we're equal.

I think it's Ms. Hoggarth.

**Ms. Ann Hoggarth:** Yes, it is.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Sorry. Go ahead.

**Ms. Ann Hoggarth:** Thank you. Thank you for your enthusiastic presentation. I can tell that you are very fervent about and concerned about the people, the young children, who you look after, and I appreciate that, being an educator.

**Ms. Lisa MacDonald:** Thank you.

**Ms. Ann Hoggarth:** I would just like to say that we do not want to have to license everything. I am surprised that people are asking to be licensed, because usually governments get the opposite view from people. We believe in giving parents the choice, and many of us—you are correct—in this room have gone that route, if we could.

The Ombudsman said that "Ontario parents and children have waited long enough" for reform and modernized child care in Ontario. Do you agree with this statement?

**Ms. Lisa MacDonald:** Sorry. Can you repeat that?

**Ms. Ann Hoggarth:** The Ombudsman said, "Ontario parents and children have waited long enough" for reform and modernized child care in Ontario. Do you agree with this statement?

**Ms. Lisa MacDonald:** Well, I guess it depends on how—

**Ms. Ann Hoggarth:** Since 1946.

**Ms. Lisa MacDonald:** Pardon?

**Ms. Ann Hoggarth:** Since 1946.

**Ms. Lisa MacDonald:** Oh, yes. Yes. I mean, absolutely. The time has come—

**Ms. Ann Hoggarth:** Thank you.

**Ms. Lisa MacDonald:** Oh. Okay.

**Ms. Lisa MacLeod:** You have more time. You can keep going.

**Ms. Lisa MacDonald:** I have more time?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You could finish answering her question.

**Ms. Lisa MacDonald:** Yes. Her question—I think it depends on your definition. What is your definition?

**Ms. Lisa MacLeod:** She doesn't know.

*Interjections.*

**Ms. Lisa MacDonald:** I just want to know what your definition—you're speaking about the Ombudsman, so I'm just wondering what your definition is of the reform. What exactly are you referring to as far as the reform?

**Ms. Ann Hoggarth:** Well, in regard to putting in clauses that have to do with the safety of children. I know that, as an educator, I see daycare providers coming to the back of my kindergarten, and they have eight, 10, 12 children with them going back to their homes—to look after them at the end of the day. I don't think that's safe. I think we need to put provisions in place so that does not happen. I do agree that the people who are looking after those children are well intentioned, but accidents do happen when you have that many children.

1740

**Ms. Lisa MacDonald:** Well, I think a lot of people have already spoken to the track record on safety. Independent care—we've already been through this, okay? I agree with you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Lisa MacDonald:** Everyone wants safety—everyone.

Can I?

**Ms. Lisa MacLeod:** There's still time.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Finish your thought.

**Ms. Lisa MacDonald:** Okay. Everyone wants safety, for sure. We all agree on that. It's just: How are we going to do it? The Ombudsman, as we've said, supports us. He supports ICPs. I don't want illegal daycares. I don't want children to get hurt.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Now we have reached the end of the time.

**Ms. Lisa MacDonald:** All right.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Ms. MacDonald. You did very well.

**Ms. Lisa MacDonald:** That's great. Thank you.

## HUMBERSIDE MONTESSORI SCHOOL

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would call on Felix Bednarski, the principal of Humberside Montessori School, to please come forward. Are you ready?

**Mr. Felix Bednarski:** Yes, I am.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Please start.

**Mr. Felix Bednarski:** Hello. My name is Felix Bednarski. I am the principal and co-founder of Humberside Montessori School. I am the past president and a current board member of the Montessori Society of Canada. I am also a board member of the Association Montessori Internationale, or AMI, Canada, and a past board member of AMI Holland. Thank you for allowing me to speak and to express my concerns with sections of Bill 10. I would like to take this opportunity to tell you more about our work with children and how Bill 10 could have a potential negative impact on our school.

This legislation has been made urgent in response to the deaths of children in illegal home daycare settings. This objective is commendable, and you have our complete support for that intent. However, we are concerned that the bill, as written, will not be reflective of the holistic view of child development inherent in an AMI Montessori approach and will have a negative impact on AMI programs in Ontario. We know that we can find a common-ground solution that will both respect the principles of Montessori pedagogy and enable the government to provide access to safe and effective programs in Ontario.

I am the co-founder, along with my wife, Amalia Galle, of Humberside Montessori School in Toronto. The school was established in August 1987. We started with two staff members and 12 children.

As a result of our work, in 1995 the school received a certificate of recognition from AMI, founded by Dr. Maria Montessori. We have been enjoining the guidance of AMI up to this day. The AMI certificate has been serving more than as a reflection of our work: Our school became a role model for other schools. Parents have been actively seeking out our school. Over the years, the school grew to accommodate children from two and a half years to 14 years, with 325 students and 40 staff members.

To meet the pedagogical requirements for Montessori programs and to continue to be accredited by AMI, the school has to put into practice some of the basic fundamentals that must come as complete:

- three-year age-mixed groups;
- large class sizes;
- one teacher and one assistant;
- a full set of Montessori materials;
- a three-hour uninterrupted work cycle; and
- a program consistent with Montessori pedagogy.

Three-year age-mixed groups require that children of three ages mix from the age of two and a half to six years old and work together in one class. The mixed-age group creates a social dynamic that fosters pro-social behav-



jour—children helping children. Young children of two and a half to three years old look up to five- or six-year-old children as mentors and role models. They listen when the older children explain something, show them how to do something or state a limit of the classroom. The older child has grown in confidence and abilities after being in the class for three years and takes on this responsibility with ease. The mixed ages provide variety in social interactions with children of different ages, as in a family or social community.

This approach has been in practice for more than 100 years in Montessori schools all over the world. The benefits of three-year age-mixed groups will only continue when children are admitted to Montessori primary classes at the age of two and a half years, which Bill 10 would prevent us from doing. This point alone will fundamentally alter the way we are working with children within Montessori environments.

As Montessori schools offer academic, educational programs, they do not belong in a category with child care centres or nursery schools. Our concern lies in schedule 1, part I, purposes and interpretation, sections 6 and 8 as defined. As currently written, we are concerned that Bill 10 will have unintended consequences on the implementation of Montessori pedagogy. We therefore respectfully urge this committee to provide clarity on these exemptions and ask that AMI accreditation be formally recognized in the language of Bill 10.

We would like to ask all members of the social policy committee—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Mr. Felix Bednarski:** —to exempt Montessori schools that adhere to a traditional Montessori pedagogy, such as schools accredited by AMI, from the application of the Day Nurseries Act or, if Bill 10 is enacted, the Child Care and Early Years Act.

We would also like to ask you to please consider amending the definition of “private school” in Bill 10, section 6, by allowing private accredited schools to permit children who are two and a half years old and older.

If I may, I would like to leave you with a copy of—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. The questions will start.

The Clerk has informed me that we will be called for a vote. Therefore, we probably won't have the full nine minutes. If it's the agreement of the group, I would give two minutes to each group; is this okay?

Mr. Vanthof, your two minutes start.

**Mr. John Vanthof:** Thank you very much for coming and presenting. Since we don't have much time—and I'm really glad you came. If the bill isn't amended—because the bill is going to pass. We're in a time allocation, a majority government. The bill is going to pass. If it's not amended, what will the impact be on the Montessori system?

**Mr. Felix Bednarski:** I'm concerned about how the Montessori pedagogy could function. I just explained one element in my presentation, about the three-year age-

mixed group. Montessori won't be able to function, the program won't be able to function, all the beautiful things that I just described—how the younger children are looking to the older children, how the older children become the leaders and develop the skills—those elements are not going to function. So I'm very much concerned, if there would be no amendments, about the impact the bill is going to have on AMI Montessori accredited schools.

**Mr. John Vanthof:** So your system will be fundamentally changed or damaged, or could it be?

**Mr. Felix Bednarski:** It won't be able to function.

**Mr. John Vanthof:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Crack.

**Mr. Grant Crack:** Thank you for representing the Montessori schools. I think we've had close to five or six, and I think we've asked the same question: What are the unintended consequences? We did receive a response today from one of the previous presenters, but I haven't got a response yet—when you talk about the concern lying in schedule 1, part I, purposes and interpretation, could you just elaborate on that particular concept?

**Mr. Felix Bednarski:** Yes. Section 6—actually, it's in the definition section. Section 6 talks about the definition of “private school.” A private school won't be allowed to have children younger than 3.8 or four; either we're talking about September or December.

I explained earlier that it's fundamentally Montessori to have younger children starting with us. That's the section that I was referring to. If an amendment could be made to allow for private accredited Montessori schools to accept children of the age of two and a half and up rather than from four and up.

**Mr. Grant Crack:** Any other questions from the—

**Mrs. Amrit Mangat:** One. I have a comment.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mrs. Mangat.

**Mrs. Amrit Mangat:** I think we are open to submissions, recommendations. That is the point of having a public hearing. Until Friday, you can submit your recommendations, and then we will go through clause-by-clause next week. Thank you.

**Mr. Felix Bednarski:** Thank you very much.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Just a point of clarification: Deputants have till tonight to submit written submissions and you have till Thursday, noon, to submit your amendments.

**Mrs. Amrit Mangat:** Thank you.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** For members.

Mrs. Martow.

**Mrs. Gila Martow:** Hi. Thank you for your submission. I think that's what's missing from this debate: that people are hearing “two-year-olds, two-and-a-half-year-olds, 3.8-year-olds,” and they're picturing little babies in a high chair.

As somebody who had four kids who, at two and a half, went to preschool, went in a carpool—they went to

day camp at two and a half years old. Three of my kids went to overnight camp when they six years old. They went off on the bus, and they didn't miss me. It's kind of insulting.

I think that this is why we need to hear from Montessori schools—and I'm so glad that you came—that if you could please explain to the people here what two-and-a-half-year-olds are capable of. Because I think that there are just too many people around this table who don't understand that two-and-a-half-year-olds can go to school; they don't have to just be in a babysitting environment.

**Mr. Felix Bednarski:** Thank you very much for this question. I brought this book over here. If you have an opportunity, please go through it. This is the journey of a child from the age of two and a half to the age of 14. The children in that environment—we're asking about the age of two and a half because this is something that's coming from the discovery of Dr. Montessori. The child is capable of starting, and so many interesting things, that we really don't give credit to the child.

If I may take a few seconds, because yesterday I heard one of the members asking if there will be at least a child present over here. So I have a short testimonial from a student, Ella Sutarno, who went from the age of two and a half or three and she finished at the age of 14. She described her experience in a few sentences, if I may read:

"The biggest contribution Montessori has made to my life? It is my life. I've been going to school at Humber-side Montessori for 11 years now, which is practically my whole life, learning the Montessori teachings instead of public or private school teachings, and seeing a whole different way of learning. I learned how to bake bread myself when I was four. Who gets to do that at four? Who gets to make a volcano explode at six years old? Who gets to run a business at 11? Who gets to dissect a pig at 12? Montessori has taught me not only the basic things for school, but also has prepared me for what I will encounter in high school."

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you for presenting; you did very well.

I thank everybody for coming here and for your presentations.

The bell you hear is because all of us have been called for a vote in the House. This meeting will recess. We will start again at 6:30. Please be here at 6:30 sharp.

**Mr. Felix Bednarski:** Thank you very much.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You're very welcome.

*The committee recessed from 1752 to 1832.*

COALITION OF INDEPENDENT  
CHILDCARE PROVIDERS OF ONTARIO,  
OTTAWA CHAPTER

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Welcome back, everyone. Everybody knows that we're here to follow up on the public hearings for Bill 10. The session

starts with five-minute presentations by the deputants, followed by three-minute question-and-answer periods by each of the three parties. Thirty seconds before the end, I will let you know that you have 30 seconds left.

The first person I would like to call is Velvet LeClair from the Coalition of Independent Childcare Providers of Ontario, the Ottawa chapter. Welcome to Queen's Park. Are you ready?

**Ms. Velvet LeClair:** Yes, I am.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Please start.

**Ms. Velvet LeClair:** Thank you for inviting me to share my experiences and opinions. My name is Velvet LeClair and I'm an early childhood educator from Ottawa. I graduated in 2001 and I worked in daycare for 13 years before opening my home daycare last year. I chose to work with children because I am fascinated with human development and I wanted a career that I would enjoy.

You claim that Bill 10 is going to modernize child care and improve safety. This bill, as presently drafted, means that I will be taking a \$4-an-hour pay cut, and I cannot afford another child until my son turns six. It will also put many other home daycare businesses out of business and will change the market. I worry that Bill 10 will entrench the corporate child care centre takeover in Ontario.

I've been working in non-profit centres, corporate centres and businesses that operate both child care centres and licensing agencies. Usually, I changed jobs each year because I lost respect for my employers and I couldn't handle witnessing how some of the children were being treated. Many of my co-workers would burn out because of low wages, no paid sick leave, no health benefits and bad management.

After 13 years of licensed child care, the only business model that I could ever endorse is unionized parent co-operatives. Their financial records are transparent, and parents and staff make all the decisions together. The teams of teachers have a positive work dynamic because everyone is valued, compensated and treated equally. This is reflected in how they perform on the job and how children are treated.

After I had my son, I decided to open a home daycare. I quickly came to the realization that licensing agencies are intent on exploiting their workers, just like so many of the daycares I had left. Parents pay the licensing agencies, who take between 20% to 35% before paying the caregiver. The caregivers do not get paid for holidays or sick days, but the parents still get billed. Although some of these agencies are classified as non-profit, they are intent on making a profit off of the backs of their caregivers.

I took over 80 hours of business training through the Child Care Providers Resource Network. Many of the people I met were in various stages of running their business, and they changed my perspective on what quality child care actually is. Home daycares are extended families. We can focus on individuality, and the children develop intimate relationships with each other because



the groups are smaller. We are compensated fairly and valued by the families we serve.

Growing up in a home daycare is what is best for healthy child development, not institutionalized child care centres.

My concern about for-profit corporate child care centres is that they operate businesses that are relentless about increasing profits. The meals they provide consist of powdered milk and canned food. The children are unstimulated and bored from lack of activities. Staff members only earn minimum wage and are sent home if children are absent. You should ask me more about these companies later.

With all that being said, I do support the sections of Bill 10 that include Montessori, religious and private schools into the legislative framework. However, if Bill 10 is about improving safety, you should not be omitting summer camps, recreational programs and other forms of child care programs from following regulations.

Full-day learning had a huge ripple effect on the licensed child care centre. Anyone running a kindergarten or school-age program was either going to have to close or find a way to provide services to younger age groups. Your government didn't hire enough inspectors to keep up with those changes, which led to a child dying and a lawsuit against your government.

The recent provincial Ombudsman's report on unlicensed child care noted that in my city of Ottawa, 60% of licensed daycares were operating with an expired licence. The ministry couldn't keep up with demand. If your goal is to improve the quality and safety of child care and that is the reason for Bill 10, then hire more inspectors to meet your existing mandate before placing punitive restrictions on lawful, non-agency independent child care providers.

The Coalition of Independent Childcare Providers of Ontario will continue to oppose your legislation. We are considering and preparing for a province-wide strike in the event that you do not amend Bill 10 to address our concerns. As the debate continues on how to create a national child care program, I urge you to reflect on the implications of this bill. We hope to work together to include home daycare as a critical part of the child care infrastructure.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. The first caucus to ask questions will be Mr. Crack.

**Mr. Grant Crack:** Thank you for coming this evening. I appreciate you also coming from Ottawa.

You did mention the national child care program. I just want to make a comment to you and ask you what your opinion is on the fact that both the Liberals and the Conservatives supported a motion a little less than an hour ago supporting a national child care program—

**Mr. Garfield Dunlop:** Point of order: We didn't; it was the NDP.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Point of order well taken. It was the NDP and the Liberals.

**Mr. Grant Crack:** What did I say?

**Mr. Garfield Dunlop:** You said the Conservatives did.

**Mr. Grant Crack:** Oh, I'm sorry. The NDP and the Liberals—I stand corrected—supported a motion for a national child care program, and yet the Conservatives chose not to. What is your opinion on that when we hear repeatedly that they think they're the protectors of child care across Ontario, yet they don't support working families that would actually be out there supporting a business such as yours?

**Ms. Velvet LeClair:** I do support a national child care program. I hope that home daycares will be included in that planning and in the whole program that is going to be happening. I also hope that it's not going to be leading to a corporate child care sector takeover. There are two businesses that are being traded on the Toronto Stock Exchange right now and I'm deeply concerned by both of those businesses.

**Mr. Grant Crack:** Okay, thank you—

**Ms. Velvet LeClair:** And I think that you should also be concerned about those businesses as part of this national child care campaign.

**Mr. Grant Crack:** Thank you. I believe we are.

You talked about some of the other child care providers and you wanted to speak more about it. You had indicated, "Please ask me about it," so I'm asking you if you wanted to elaborate on that.

**Ms. Velvet LeClair:** Child care providers in licensed daycare centres?

**Mr. Grant Crack:** Yes, I believe that's what you were referring to.

**Ms. Velvet LeClair:** Yes. The wages are low. There are so many corporate—even some of the non-profit agencies just don't run their businesses honestly. It leads to the children being treated poorly.

I think that child care needs a complete overhaul. I don't think that Bill 10 is necessarily going to do that.

1840

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Mr. Grant Crack:** Okay, that's fine. Could you please explain why you believe you would be taking a \$4-per-hour pay cut, as you had referred to it?

**Ms. Velvet LeClair:** Because I would be asking one family to leave, and what they pay me equals out to \$4 an hour. So having one child leave would result in a pay decrease for myself.

**Mr. Grant Crack:** So are you of the opinion that you wouldn't be able to fill another—

**Ms. Velvet LeClair:** I have my own child. I have a three-and-a-half-year-old son—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. To Mr. Dunlop or Mrs. Martow.

**Mrs. Gila Martow:** Hi. Thank you very much. We've been hearing from so many people and I find it shocking that some people in the room still can't understand that if you put restrictions on how many children can be in the daycare, that that cuts into the earning potential of that daycare.

In terms of a national child care program, it's just like a national health care program. We've seen cuts to health

care in the last 10 years under this government. We're not seeing additional things being covered. Money doesn't grow on trees; we all know that. If money is being wasted on the MaRS fiasco, the gas plants scandals or on high electricity costs in the province, then there isn't money to subsidize daycare.

We'd all love to see daycare right now. There is a tax deduction per child under specific ages, and the federal government is actually expanding that. I'm sure that you give receipts, I'm sure you have a legitimate business, and your clients are able to make the proper deductions and, with that expansion, they'll be able to make more deductions once that comes into effect.

My question to you is what I've asked a lot of people who have come to speak to us in the last two days, and that is: Why do you think that there are—I feel that this is an attack, I don't know how you feel, on home daycare. Why do you feel that this government is trying to move children from home daycare settings that parents want into large centres? You described that a couple of them are less than desirable and probably a lot of them are less than desirable. Why do you think they're trying to move kids into large centres?

**Ms. Velvet LeClair:** Because of the national child care campaign and the unions that are supporting it. Also, I think the government has been lobbied by for-profit child care centres. Even before full-day learning was announced, I was an executive member of my union, and that was the word we were hearing—that corporate child care lobbyists were coming to meet with the Liberal government, and now we have all these daycare changes. So I'm concerned that all these changes are about letting a corporate company come in and take over the market when the home daycares are—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mrs. Gila Martow:** I don't want to be somebody who bursts the bubble, but I think when you say that you support a national daycare system, you'd support a national daycare system that supports home care for children and choice for parents and that doesn't restrict parents who are looking for a spot for a 12-month-old child so that there's only spots available for three-year-olds and there are no spots available for one-year-olds. I don't have time for a question, but I would want to remind you that it doesn't work out to—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you very much for coming in and presenting this evening.

You have concerns about for-profit child care?

**Ms. Velvet LeClair:** Yes.

**Mr. Peter Tabuns:** Can you tell me what they are?

**Ms. Velvet LeClair:** It's very misleading for parents. They don't know what they're getting. I've worked in multiple daycare centres where the infants move up to the toddler program three months before the parents know that they've moved up, so the parents are still paying an infant rate even though their toddler has moved into

another spot. The meals are poor. The treatment of the staff—you only make minimum wage, no sick leave, no benefits whatsoever. Usually one person in the program makes 50 cents more than the other workers, so there's a really negative work dynamic with the staff. Everybody is trying to fight for that 50-cent raise and become the head teacher.

There are so many things happening in corporate daycare. It's also happening in non-profit too. That's why I can only endorse unionized parent co-operatives. Parent co-operatives are a lot like home daycares. You work closely with the parents—they're on the board of directors—and everything is transparent.

**Mr. Peter Tabuns:** So you think we should be supporting the expansion of co-operative, unionized daycare centres?

**Ms. Velvet LeClair:** Yes, and only that. But I think that we should be protecting home daycares first and foremost, when it comes to this bill.

**Mr. Peter Tabuns:** One of the things that I've had people say earlier this week, when they've sat in the chair you've sat in, is that they would hope that all home child cares could be licensed. What do you feel about that?

**Ms. Velvet LeClair:** Yes, I'd like to have a licence. I wouldn't like to be associated with a licensing agency in any way, even if the proposed idea is a fee-for-service model. I don't think that that is a solution.

I think that the government needs to invest some money in hiring more inspectors, not just the six that you just recently hired. I think that the government should be taking over the licensing system in Ontario, and just remove the licensing agencies completely.

**Mr. Peter Tabuns:** What do you think the criteria should be for home providers? If they're going to be licensed, should they have an ECE? Should they have police checks? Should they have—

**Ms. Velvet LeClair:** I think the police record check. I don't think an ECE diploma is necessarily—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Velvet LeClair:** It's an asset, but I don't think it's a requirement. Police record checks, CPR, an inspection of your home to make sure it's safe. There should be support and resources for home daycare providers.

I think that this Child Care Providers Resource Network—if there were organizations like that all over the province, I think that they could take over a better system than the licensing agencies. They provide a lot of training—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

**Mr. Peter Tabuns:** Okay. Thank you very much.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you for coming. Thank you for your presentation, Mrs. LeClair.

MS. JILLIAN HENDERSON

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now call Mrs. Jillian Henderson. Are you ready, Mrs. Henderson?



**Ms. Jillian Henderson:** Yes.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Please begin.

**Ms. Jillian Henderson:** My name is Jillian Henderson. This is my colleague Katherine Glover.

The proposed two-under-two rule in Bill 10 will force me to close my home daycare in the Halton region. I have been running a successful daycare in Burlington for five years. I have over 20 years of experience working with children. I have a master's and PhD work in environmental planning and education. I have CPR, first aid, wilderness first aid, food safety, fire safety training, and over 20 weeks of training through our Halton association. I've taken too many professional development workshops to list. I am well qualified to do my job, and I did everything right.

What I do, as an independent home child care provider, is to give the very best I can every day. I work a 10-hour day with a small break during their nap time, if I'm lucky. It is difficult to take days off. I have no paid vacation and no benefits at all. I spend my day cutting up food into small pieces, giving hugs, sleep training, playing games, going for walks, doing crafts, singing songs, and reading stories, and I wouldn't trade it for anything.

Most of the children I care for are with me for 50 hours a week. They become like family, and their families become like family. I go to their birthday parties. I problem-solve with parents to figure out whether it's their teeth or an illness today, to find out what they're allergic to, whether they need additional help with speech or not. I am a team member in raising their child. We work together toward developing empathy, kindness and generosity.

I'm one of the lucky ones because I love my job. My job has value that goes far beyond the economic, social and gender issues this bill has stirred up. My job has purpose, and I did everything right.

Parents seek me out by word of mouth. I'm the neighbourhood provider. I have 23 families on my wait-list for the first half of 2015 alone. Parents in Burlington choose me, as a home provider, as their first choice.

However, I'm not alone in Halton. We are a well-qualified and dedicated community of over 200 women, and we did everything right. Many, like myself, are planning to close their doors if Bill 10 is passed. With the proposed two-under-two rule, we simply won't be able to offer the quality programming for which we are known, even if we significantly raise our prices.

Gapping spaces, waiting until a child currently in care turns two, is lost income, but more significantly, it prevents me from having daycare spaces available for parents who need and want them. Daycare spaces for one- to two-year-olds are already extremely hard to find in Halton, and the two-under-two will make this even worse.

In five years of operating a daycare, all of my little ones have come to me at a year old, when their parents' leave is over. I work only with children aged one to three and a half, when they head off to school. That's just over

a two-year span, and the government is proposing to take away one of those years for three of my five spaces.

**1850**

It is common for several of my little people to head off to school at one time. Those spaces are always filled with families seeking home care for a one-year-old. Because of this, I routinely have more than two children under two, and I wouldn't have it any other way.

More importantly, the parents wouldn't have it any other way. They actively seek my program because I don't take the older children, and their child would be with children similar in age and development to theirs. It works for all of us: provider, parent and child.

I did everything right and will be punished by this government simply for operating a legal daycare that followed all the rules. Bill 10 will prevent daycares like mine from operating, but even more alarming is that it will prevent daycares like mine from ever opening. If the two-under-two rule is passed, then by the end of 2015, we will have lost a minimum of 300 quality daycare spaces in home environments in Burlington alone.

I am urging the government to remove the two-under-two age restriction in Bill 10 for providers. With the two-under-two rule, I would no longer be able to offer any daycare spaces in a place that already has long wait-lists for centre and home care, incredibly high daycare fees and one of the longest waits for subsidy spaces in the province.

The current rules work. They have been working for decades. What didn't work is a government that didn't do their job in shutting down an illegal daycare centre operating out of a person's home.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Jillian Henderson:** This government did something wrong. The illegal daycare that went far over their numbers did something wrong. I did nothing wrong, and yet my daycare is the one being shut down.

I urge the government to make amendments to Bill 10 that will protect and value the independent home child care providers of Ontario. Bill 10 won't make anything safer or anything better. It will make daycare spaces harder to find and prices more expensive.

I speak for home providers in Ontario who couldn't have their voices heard during consultation. We did everything right.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Dunlop.

**Mr. Garfield Dunlop:** Thank you very much. That was a very good presentation. I really appreciate your comments. I think you hit all the key points—exactly how we feel on this side of the House.

But I'm wondering, for people like yourself across Ontario—I mean, you must have colleagues in other communities, and friends you've met through different organizations. What percentage of people do you think actually know these hearings are taking place?

**Ms. Jillian Henderson:** If they're not on social media—I mean, we would have no idea, but by social

media, there are hundreds of people who are aware but aren't able to contribute. Like I said, if they're not on social media, then they would have no idea that this is going on.

But more concerning than the providers not knowing is that the parents don't know this is going on. If the providers aren't speaking to their parents and telling them, "Hey, you may not have a spot, come January, come September, whenever this goes through," it's going to severely impact the parents in their choices of where they can go with their children.

**Mr. Garfield Dunlop:** Thank you. A second question, on enforcement: First of all, would you agree to be on any kind of a registry?

**Ms. Jillian Henderson:** Absolutely.

**Mr. Garfield Dunlop:** Of course, would you agree to licensing?

**Ms. Jillian Henderson:** Licensing, as long as it's not through a third party, for-profit agent. Even the not-for-profits in my area aren't overly helpful.

I have two options to license in my area: Today's Family and Wee Watch. Wee Watch, when I spoke to them, would charge the parent \$45 and pay me \$22.80, so even the incentive of the sixth child—if I took that sixth child, licensing through them, I'd be having six children for what I currently make now with three children. So there is absolutely zero incentive for me to ever license with anyone in my area.

**Mr. Garfield Dunlop:** But I'm not talking about a licence given by somebody locally. I'm talking about a licence that would be—

**Ms. Jillian Henderson:** Through the government? Absolutely, yes. If the government was directly inspecting me and directly responsible for the licensing, absolutely.

**Mr. Garfield Dunlop:** I want to make it clear: Through all these discussions, that's what I plan on: a government licensing system.

**Ms. Jillian Henderson:** Yes, or some sort of registry where the provider inputs all their data onto a site, something like Daycare Bear. I don't know if you're familiar with that site. It has all the providers' information on it. That's how the parents find us. Some 90% of my clients come to me through that website. It lists everything about me: my hours, my credentials, all of that stuff.

The inspectors could have access to that, and when they show up at the inspection, they will say, "Hey, you've listed that you have CPR. You've listed that you have fire safety training. Can I see that information?"

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Jillian Henderson:** That's the kind of registry that we would like to see, where we put our own information in and then an inspector comes to make sure that everything is going well in the house.

**Mr. Garfield Dunlop:** That's fine. Thank you, Chair.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you, Ms. Henderson, for coming here this evening and speaking to us. You said you currently look after three children at a time?

**Ms. Jillian Henderson:** I look after five children. I often have more than two under two.

**Mr. Peter Tabuns:** And do you have children of your own as well?

**Ms. Jillian Henderson:** I do. I have three school-aged children. I'd like to speak to that a little bit, if I can.

**Mr. Peter Tabuns:** Be my guest.

**Ms. Jillian Henderson:** I have multiples; I have twins. Finding daycare spaces for two infants in a centre near me was \$1,700 per child, so having a twins in a centre is obviously prohibitively expensive. I also have a child with special needs; my son has special needs. I didn't see provisions for that anywhere in the bill. The licensed agency near me automatically counts a child with special needs as two spaces, which I think is discriminatory. That's another reason I wouldn't go with the licensed agencies.

**Mr. Peter Tabuns:** Okay. And you talk to other home care providers.

**Ms. Jillian Henderson:** Absolutely.

**Mr. Peter Tabuns:** What's the average number of children that they have?

**Ms. Jillian Henderson:** Well, we can only have five. Most I know have at least three or four. Most try to operate at five, just to be able to offer quality programming and to have their spaces filled on a continual basis.

**Mr. Peter Tabuns:** And does that include children of their own who are under school age?

**Ms. Jillian Henderson:** It depends on the provider and what they feel they can handle. That's one of the things that's an issue for me in the bill with the two under two. It's preventing a provider from taking more than two kids under two, yet it makes no mention of a provider having discretion to take children with special needs.

**Mr. Peter Tabuns:** That's a good point.

**Ms. Jillian Henderson:** For those having special needs, I have to discuss with the parent whether I would be capable of taking them, but then I'm not afforded that same dynamic with a parent to figure out whether I would be able to take more than two under two.

**Mr. Peter Tabuns:** For the other providers that you're familiar with, is it fairly common for them to have more than three children under the age of two?

**Ms. Jillian Henderson:** I would say it depends on the provider, but yes, I think it's fairly common for them to have more than three. Right now, I have four under two; three of them are over 18 months. One is 13 months, and the other three are closer to two.

**Mr. Peter Tabuns:** Okay.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mr. Peter Tabuns:** I don't have further questions. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ms. Hoggarth.



**Ms. Ann Hoggarth:** Thank you very much for your submission. I can see you are very fervent about what you are saying, and I understand that you probably love those children like you do your own.

**Ms. Jillian Henderson:** Absolutely.

**Ms. Ann Hoggarth:** Did you know that there will be a transition period before this bill comes into effect in order for the changes to be made? And I wondered if you have made a submission on the government website, since it has been up there since 2012.

**Ms. Jillian Henderson:** I've made all kinds of submissions. Do you mean in regard to Bill 10?

**Ms. Ann Hoggarth:** Yes.

**Ms. Jillian Henderson:** I have made submissions to the committee and to my MPPs, the Halton MPP and the Burlington MPP. I've made multiple attempts to contact them—never heard from them, never had a reply.

What was your original question again?

**Ms. Ann Hoggarth:** I just asked if you knew that there would be a transition period.

**Ms. Jillian Henderson:** As far as a phase-in period—yes, but what I'm concerned about is the long-term viability of daycare. I might be able to finagle it for a few months, to have those spaces filled. But long term, like I said originally, most of my kids come to me at one year old. That's the age that parents are looking for. We might be able to stretch it out over a year or two to stay in business, but long term, I will not be able to sustain my daycare with the two-under-two rule.

**Ms. Ann Hoggarth:** The purpose of these hearings is to hear what you have to say, and there also is a way for you to put in amendments.

Would you please tell her when they have to be in by?

**The Vice-Chair (M<sup>me</sup> France G  linas):** Actually, MPPs have to put in amendments—

**Ms. Ann Hoggarth:** Oh, sorry.

**The Chair (M<sup>me</sup> France G  linas):** —but you can suggest to your MPP any amendments you would like.

**Ms. Jillian Henderson:** It's been done. I've done that. I've sent in what my suggestions would be.

I would just like to add one final comment to make sure that we are addressing children with special needs in this bill. They have been completely left out. Having them count as two spaces or even three spaces for a provider is discriminatory, as I said.

A lot more work needs to be done on this bill to make sure that we're valuing home daycare in Ontario.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Ms. McMahon, you have 30 seconds.

**Ms. Eleanor McMahon:** Thank you, Madam Chair. Hi. Thanks for coming. Nice to meet you.

**Ms. Jillian Henderson:** Nice to meet you—finally.  
1900

**Ms. Eleanor McMahon:** Yes, I'll speak with you after.

A quick question for you: no objection to being licensed? You don't have any issue with that?

**Ms. Jillian Henderson:** Through the government? No, I have no issue with that.

**Ms. Eleanor McMahon:** Okay. So let's talk options here.

**Ms. Jillian Henderson:** Sure.

**Ms. Eleanor McMahon:** Let's just blue-sky it for a moment, okay? Just indulge me, would you? If it was not through the government, but there were other ways in which you could be licensed and wouldn't have to pay \$22.50 per child, what might that look like? And if we don't have time today, could we have an offline conversation or a contribution with a view to an amendment about what that might look like?

**Ms. Jillian Henderson:** Absolutely, yes.

**Ms. Eleanor McMahon:** Because that's what this conversation needs to be about.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Good idea, because your three minutes are over.

**Ms. Eleanor McMahon:** Merci.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I thank you very much, Mrs. Henderson, for coming tonight.

#### BRIGHTPATH EARLY LEARNING AND CHILD CARE PATHWAY GROUP

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would call Mary Ann Curran, the chief executive officer of BrightPath Early Learning. You're ready?

**Ms. Mary Ann Curran:** I'm ready.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Please begin.

**Ms. Mary Ann Curran:** Good evening. Thank you for the opportunity to be here tonight to speak to you about Bill 10, the Child Care Modernization Act. I know that it is a late sitting for the committee, so I'll make my remarks short to allow the committee to continue its important work.

As was mentioned, my name is Mary Ann Curran. Since 2012, I have been the CEO of BrightPath Kids, Canada's largest providers of private, centre-based early learning and child care. With me is Allan Rewak of Pathway Group. He and his colleagues are supporting us in better understanding Bill 10.

BrightPath was founded in 2010, and since that time, it has grown to include 14 Ontario centres, with 52 centres across the nation. Each location, upon joining our family, is upgraded to improve the security, safety and developmental needs of the children we care for. We also custom-build facilities to provide the best environments, indoors and out, to suit the needs of child development and care.

I'm proud to say that families have responded well to our service, and each day, thousands of parents trust us to care for their children in a safe and nurturing environment conducive to learning and developing. This is a responsibility I take very seriously as a CEO and as a mother.

It's for that reason I am here tonight. In the last two years, we have seen significant challenges in the unlicensed child care sector in Ontario, including the deaths of four children. This is clearly not tolerable, and I ap-

plaud the Ontario government for bringing forward Bill 10 to better protect our children. We at BrightPath support those things that make our kids safer.

That being said, I do want to note that there are many high-quality home-based providers who exist currently in the unlicensed sphere. As we transition into a more regulated sector, I would encourage the committee and the government to work with these providers to ensure that they are supported in better understanding the advantages of moving towards licensed care.

Beyond this, I think it should be noted that the bill does go beyond home-based care and will have impact on regulated, centre-based providers such as ourselves. To be clear, while we support the bill in general, there is a key point I would encourage the committee, and indeed the government, to consider as it conducts its important work.

As you know, the legislation has the effect of increasing the role of local system managers in the licensing and in the fine-levying process. While we are not opposed to these measures, I would like to stress that this process and any appeal mechanism must be clear, fair, consistent and transparent. By creating due process for the expanded scope under the act, you will support our municipal managers in developing a common and consistent understanding of their obligations; you'll support our providers, particularly those who operate in multiple service areas; and, most importantly, you'll support Ontario families.

That being said, it's my understanding and expectation that much of this will be addressed in detail in regulations. For many licensed centre-based providers such as ourselves, this is a vital aspect in getting the implementation of Bill 10 right. We are eager to work with our ministry partners in this important work.

In closing this evening, I'd again like to thank the committee for the opportunity to be here in support of this bill. It's an important step forward in making our children safer. However, we must also ensure that the details are fully defined in the regulations to ensure that the impact on the ground is as it was intended: to make kids more secure and to improve the quality of care.

As I am sure all members of the committee are aware, there remains a great deal of fear in the child care community around any additional changes to the sector. As I see it, the best way to overcome this is to work together to develop a clearly defined set of regulations under this act which will support the transition to greater protection and oversight while being governed by fair and transparent rules and consistent application.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Mary Ann Curran:** Thank you again. I would be pleased to take any questions, should members of the committee have them.

**The Vice-Chair (M<sup>me</sup> France G  linas):** We will start with Mr. Tabuns.

**Mr. Peter Tabuns:** Ms. Curran, thank you for coming in this evening.

**Ms. Mary Ann Curran:** Thank you.

**Mr. Peter Tabuns:** Your centres are all licensed.

**Ms. Mary Ann Curran:** All of them.

**Mr. Peter Tabuns:** Are you subject to inspection by the ministry or the local system manager on a regular basis?

**Ms. Mary Ann Curran:** Absolutely.

**Mr. Peter Tabuns:** Do you have to pay for that inspection?

**Ms. Mary Ann Curran:** No, we don't pay for the inspection.

**Mr. Peter Tabuns:** Okay. Do you have to pay for your licence?

**Ms. Mary Ann Curran:** We don't pay for a licence, no.

**Mr. Peter Tabuns:** Okay. The question of ratios: We've had some concern about the idea that a licensed home care could have six children as opposed to five. You work with groups of children all the time.

**Ms. Mary Ann Curran:** Right.

**Mr. Peter Tabuns:** Do you think it makes sense to raise that threshold to six for a licensed home care provider?

**Ms. Mary Ann Curran:** I have to admit that I don't have a point of view about whether or not it's the right thing to increase or decrease the ratios, especially in the home care market, in which I don't exist.

**Mr. Peter Tabuns:** Okay. I think I've got the answers I need. Thank you for your help. I appreciate it.

**Ms. Mary Ann Curran:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Dhillon?

**Mr. Vic Dhillon:** Thank you very much for appearing before the committee this evening.

**Ms. Mary Ann Curran:** Thank you.

**Mr. Vic Dhillon:** Can you tell us how Bill 10 aligns with your organization's mandate? And briefly, can you tell us about some of the child care concerns in your community and how Bill 10 impacts some of those concerns?

**Ms. Mary Ann Curran:** I think it's incumbent and imperative on the sector itself to provide for the safety of children. I believe that increased licensing, increased regulation and increased oversight in the child care sector keeps children safer.

I don't believe that parents are always equipped to necessarily ask all the right questions. They're not necessarily informed, as they set out to look for child care for that first child who's approaching one year old, for example.

I think that, generally speaking, having a sector that has got the appropriate oversight mechanisms to ensure that children are kept safe is in the best interest of our communities and in the best interest of the sector.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mrs. Mangat.

**Mrs. Amrit Mangat:** Thank you, Mary Ann, for being here. In your presentation, you spoke about the unlicensed sector. Can you share with the members of the



committee the major differences between the licensed and unlicensed sectors?

**Ms. Mary Ann Curran:** I think it goes to what I just said: It's oversight. I can't sit here and say—and I would not say—that all unlicensed providers are bad at what they're doing. But I do believe that licensing and oversight provides consistency, and it provides safeguards for the safety of children so that we know that there is a minimum standard to which all child care providers are being held.

**Mrs. Amrit Mangat:** So in your opinion, what kinds of safeguards does Bill 10 provide?

**Mr. Allan Rewak:** If I may, Bill 10 takes many steps in providing expanded oversight in both the home care and, indeed, the centre-based sectors by involving our municipal partners in a greater degree. For the committee's benefit—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Mr. Allan Rewak:** —some of you may be familiar with me in my alternative role, but I was a past employee of BrightPath. From my experience there, I can clearly say that licensing, and Bill 10's expanded scope of licensing, will simply make every aspect of child care safer.

**Mrs. Amrit Mangat:** Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you, Mrs. Martow?

**Mrs. Gila Martow:** Licensing, to most people, sounds like oversight, because they assume that there's going to be inspectors inspecting the licensed daycare centres, either in homes or schools or community centres. But we're hearing that there are only plans to have six inspectors with this bill. I would suggest that we need six inspectors per riding, or per neighbourhood. Just licensing and collecting fees—we all know that's not enough. We're seeing that in other sectors, as well.

1910

What would you recommend is needed? If you feel that there needs to be oversight, that it's not enough to just have a registry or a licensing system, how many inspectors do you feel the province would have to implement to safely monitor all of these centres?

**Ms. Mary Ann Curran:** I can't say how many there should be, but I'll tell you that I believe in a model that says absolutely that oversight and inspections go along with licensing. Having said that, I think there is a model that I have seen work in other environments whereby successful completion of licensing on a certain frequency reduces the frequency at which you must be licensed.

I would anticipate that, again in its implementation phase, which I understand is yet to be worked through—I can imagine that, in the early phases of the implementation of this, there would be more licensing officers, and over time, as there was confidence that the child care providers were reaching that minimum standard and beyond, the resources in that respect could probably be pulled back. I know that we perhaps have some of our centres inspected far more often than they need to be.

**Mrs. Gila Martow:** Right, and you are doing your own inspections.

**Ms. Mary Ann Curran:** That's right.

**Mrs. Gila Martow:** And the problem is, what we're hearing is that there is going to be very little inspection and hardly any inspectors. Six inspectors is ridiculous.

**Ms. Ann Hoggarth:** Point of order: There are already 66 inspectors, and there will be six new ones.

**Mrs. Gila Martow:** Six new inspectors with this bill.

**The Vice-Chair (M<sup>me</sup> France G  linas):** That's not a point of order.

**Mrs. Gila Martow:** I don't know what she's talking about.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Keep on, Mrs. Martow.

**Mrs. Gila Martow:** Thank you. Six new inspectors, with all of this legislation and time and money and effort that's being put into it, is not sufficient. We all agree on that, I believe. My question to you is: What would you see as the point to only implementing six inspectors with all this new legislation?

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Mary Ann Curran:** Sure.

**Mr. Allan Rewak:** If I may speak to that, that is really the purview of government in determining the appropriate amount of inspectors. We simply don't have the knowledge base to determine or recommend to the province, for the entire system, what they should do, or the number of employees. The more inspections, the better; the more oversight, the better. And any support that we could offer to the ministry in that work, we'll provide.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you, and thank you, Ms. Curran.

#### CANADIAN UNION OF PUBLIC EMPLOYEES, ONTARIO

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would now invite Fred Hahn, the Ontario president of the Canadian Union of Public Employees, as well as Carrie Lynn Poole-Cotnam, chair of the CUPE social services committee. Please come forward.

Good evening, both of you. Are you ready?

**Mr. Fred Hahn:** We are. Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Please begin.

**Mr. Fred Hahn:** Good evening, everyone. I'm Fred Hahn, the president of CUPE Ontario. CUPE has 240,000 members in communities all across the province, and we're proud to represent close to 4,000 who work in child care centres. One of them, Athina Basiliadis, is actually with me here today, not Carrie Lynn. Athina came along instead to highlight some of our concerns as a front-line worker. We are also proud to represent thousands of early childhood educators in school boards across the province who are providing excellent care and play-based learning to four- and five-year-olds in our schools.

We support the increased oversight and regulation that Bill 10 places on unlicensed home daycare, the need for which was brought into focus by the recent child deaths in our province and underscored by a report by the Ontario Ombudsman, André Marin. But let me be clear: From our view, these changes are not a substitute for what we really need in our province, which is a universal, not-for-profit, publicly funded child care system.

CUPE's vision, like the vision of so many child care advocates, is of a progressive child care system. It's a more expansive vision than this legislation, of a fully public, not-for-profit, integrated and comprehensive early learning and child care system for all children ages zero to 12.

Bill 10 doesn't reach this visionary goal. It does little to strengthen or build on non-profit public child care centres. It does nothing to keep municipal child care centres open. It does nothing to create extra quality child care spaces. And it does nothing to expand the extended day programs provided by schools, as originally recommended in the Pascal report on early learning.

We need legislation that includes a labour market strategy that recognizes the central role of the child care workforce and the need for the high-quality early learning and care that come from that workforce. We know there's a link between child care quality and well-compensated and respected staff. We know that good wages, benefits, access to a pension, full-time hours, job security and ongoing training are all key components of attracting and retaining skilled, knowledgeable and professional staff, and that that kind of sound, long-term labour force strategy for the sector needs to be developed in consultation with unions representing workers. It's essential to ensure that there are real quality early childhood education and child care programs for all families across the province.

While we support what Bill 10 does in closing some of the gaps in unlicensed child care providers, I'd encourage you to build on that work, to think bigger and more expansively, to plan for a more fully integrated system of early learning and child care.

I want to thank you for the opportunity to speak tonight, but I want to turn things over to Athina, who will address a significant shortfall that we see in the legislation.

**Ms. Athina Basiliadis:** Good evening. My name is Athina Basiliadis, and I am an early childhood educator at the Glebe Parents' Day Care centre in Ottawa.

I'd like to speak with you today about quality child care. One thing that I know for sure, as an educator, is that staff-to-child ratios and low group sizes are one of the most important components of quality. The proposal to increase the ratio of children that licensed home daycares can care for—up to six from the current five—is going in the opposite direction of quality. I know how much energy, attention and care that infants, toddlers, preschoolers and all children need to learn, to play and to be safe. I am concerned that this would be compromised by the increased ratios.

Our programs also need to be accessible to children with special needs. Do these revised ratios allow for this? Are these the conditions that allow for full participation of children with special needs, or do they actually increase the barriers? I believe increased ratios will make our child care system less accessible to children with special needs.

When we look for the best way to grow our child care system, because we are actually concerned about quality, we should look at the research. Non-profit and public regulated child care centres consistently come out on top, yet there is only space in these best-practice environments for one in five children under the age of five.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Athina Basiliadis:** Let's grow the quantity and the quality of our child care system. Let's commit to only licensed public and non-profit child care.

At this point, we need to think about priorities and we need to make important choices. Do we choose quality? Do we choose increased ratios? Do we choose care that allows companies to profit off the care of our children? Do we foster an accessible system?

The priorities and choices that I know I would make as an educator are about quality, and all of these words are key. I believe we need a child care system that is universal, accessible, high-quality, publicly funded, not-for-profit and public—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

**Ms. Athina Basiliadis:** You're welcome. Thank you very much.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mrs. Mangat?

**Mrs. Amrit Mangat:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** No? Okay.

**Mrs. Amrit Mangat:** It's okay. I can go ahead.

Thank you, Athina, for your presentation.

**Ms. Athina Basiliadis:** You're welcome.

**Mrs. Amrit Mangat:** You spoke about universal child care, right? But I hope you understand that universal child care falls under the purview of the federal government, not under the provincial government.

Our government is doing its best—and we have made investments, ever since we came into office, in education and child care.

I'm sure you're aware that the Ombudsman stated that the second necessary change is the new legislation, the long-awaited Child Care Modernization Act, replacing the Day Nurseries Act of 1946. The Ombudsman himself said the legislation is extremely outdated and needs to be replaced. Further, he said the province should take urgent action to protect children in unlicensed daycare.

What you are saying is that you don't agree with the Ombudsman's sentiment. Do you agree or no?

**Mr. Fred Hahn:** No, that's not what we're saying at all. We're glad that Bill 10 focuses on the gaps that are in the unlicensed home child care system.

What we're concerned about is the small scope that it actually—when we're talking about what we need for



child care in the province, we believe that the provincial government has the ability to do more. In fact, other provinces and other regions have—the province of Quebec, for example, has a universal system that is across the whole province, available to all folks across the region. So it is something the province can do.

1920

We're glad that there's increased regulation and focus on the unlicensed home child care sector, but this legislation also changes ratios in a way that we think is in the wrong direction, and all of the research actually says it would be in the wrong direction in relation to children.

**Mrs. Amrit Mangat:** Okay. I'm sure you are aware of it, that we are proposing amendments, and that is why next week we will be doing clause-by-clause hearings. Again, I'm saying that you spoke about a universal child care system. I'm sure you're aware that the federal government has cut that Kelowna Accord, which recommended that universal child care system. So it doesn't fall under this government's purview.

**Mr. Fred Hahn:** We think that it could.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mr. Fred Hahn:** In fact, there are examples where it has happened in other parts of the country.

**Mrs. Amrit Mangat:** Which countries? Can you name some?

**Mr. Fred Hahn:** In Quebec in Canada. They have a provincial system there.

**Mrs. Amrit Mangat:** But that's different. Quebec is different, you know. You should agree about that, right? They have their own Constitution—own everything—and they didn't support that confederation as well. So we cannot compare Ontario with Quebec.

**Ms. Athina Basiliadis:** Can I just say something?

**Mrs. Amrit Mangat:** Yes.

**Ms. Athina Basiliadis:** We're hoping that we can envision something that's better. When we talk about quality, the research and the data show that we can do something better. The economic impact—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Mr. Dunlop?

**Mr. Garfield Dunlop:** Thanks, Fred. Thanks very much for being here tonight and for your presentation.

Although we in the official opposition don't always agree with exactly what you're saying, we do agree that there should be amendments made here. However, we've listened to a number of deputations here and have literally hundreds and hundreds of letters that have come in from independent child care providers in the province who have no problem being licensed, and they have no problem being part of a registry.

On top of that, we've heard from parents who love their children in those small setting organizations in a home. I can tell you right now, there's no way I can agree to take that choice away from parents in the province of Ontario. I want to be up front with you and positive about that right now. I think parental choice plays an important

point in any child care system in the province. So I'd like to ask you and your assistant there if you—

**Mrs. Gila Martow:** Athina.

**Mr. Garfield Dunlop:** Athina. Sorry. There are so many people here today. Fred, there are not a lot of guys here. How do you feel about parental choice?

**Mr. Fred Hahn:** Well, look, I was raised in rural Ontario. The issue of parental choice is an interesting one, because there wasn't really a choice. There was only home daycare that people were afforded.

It goes back to what we are trying to suggest here: If there was actually a broader vision, a more expansive attempt to try to provide real child care choices for people, we believe that most parents would want their children to be in the highest-quality child care setting possible. Those choices aren't available in some communities. We're well aware of that.

We also are proud to represent folks who are in not-for-profit community-based centres with parent boards and co-operatives. We understand that that's an important part of this, too. But we have a system that has grown up piecemeal because the importance of child care—not just of families and to children, to our economy, to all of us—has never been fully appreciated. We think that now is an opportunity, when we're looking not just at a regulatory framework, but to think about: What do we really need? What would best advantage all of our communities? What is the best model?

When you look at all of the research that has been done here, around the world—our research with children, with families, in different models—it's quite clear that the very best system is a public system that is universal and accessible to people and that recognizes that profit is not something that we make on our children. It's something that's important to be made in the economy but not off the backs of our kids.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Mrs. Gila Martow:** I'm just going to very quickly point out that I think that in rural Ontario especially we couldn't support anything but home daycare in a lot of communities. I don't know of any data that shows that only one model works. I think that we're an inclusive society here. We're a diverse society here. We want to see everybody's needs being met. I think to try to pigeon-hole everybody—we are hearing about kids with special needs—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

**Mrs. Gila Martow:** —who need to be in smaller centres. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you, Chair. Fred and Athina, thank you for coming this evening.

My first question is about the ratio of one caregiver to six children. I've heard many people speak before this committee in the last few days saying that 1 to 6 is an entirely acceptable ratio. What do you see as the difficulties with that?

**Ms. Athina Basiliadis:** I've actually had the opportunity to be a home visitor in a licensed child care setting.

I witnessed at each visit the struggles that home providers have with a varied age group of children. It's incredible, the work that they do.

Adding an additional child to their day brings up concerns for me as far as safety goes. We talked about inclusion and children with special needs being cared for. I think it limits those abilities for us to go in and provide the resources that we need.

Instead of pitting us against each other, home child care versus group care, we should look at ways to grow the system so that we have true options and choices.

If a parent can't afford a daycare space, that's not really an option. It is what it is. It's not their choice; it's their reality. What we're doing is, it's primarily women who are disadvantaged who are needing to make an extra \$20 a day, and we're putting another child in their care, at the expense of the children and the families that we are looking to service. That's my feeling on that.

**Mr. Peter Tabuns:** You've got a note here. One of your recommendations is that child care operators be prohibited from charging parents fees for being placed on a wait-list for child care spaces. Is this, in fact, an issue?

**Ms. Athina Basiliadis:** It is an issue. I think there are people who won't go on a list because they can't afford that fee. If you're talking about accessibility, it's not accessible to you if you can't afford it. I think it's fairly simple.

**Mr. Peter Tabuns:** Is this a very common practice?

**Ms. Athina Basiliadis:** I think it is a fairly common practice. I work in a parent-staff co-op, and it was suggested by one of the parents because she had seen this fee being charged in Ottawa and various locations. Yes, I think it is fairly common.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Mr. Peter Tabuns:** The proposal to have two licensed providers with 12 children: I'm assuming that you do not support that.

**Ms. Athina Basiliadis:** No, we do not.

**Mr. Peter Tabuns:** Can you expand on why?

**Ms. Athina Basiliadis:** For a number of reasons. I don't think that the physical space in home settings to house 12 children, in most cases, would be to the benefit of the children and safety and quality.

Something as simple as one of the providers being ill: What then happens? How do you accommodate those children? Parents are left scrambling.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you, Mr. Hahn. Thank you, Ms. Basiliadis—I'm not sure if I pronounced your last name right.

**Ms. Athina Basiliadis:** Not bad. That was pretty good.

MS. MICHELLE QUINN

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would now like to call Michelle Quinn. Are you ready?

**Ms. Michelle Quinn:** I am ready. Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Please begin.

**Ms. Michelle Quinn:** Good evening. My name is Michelle Quinn, and I'm a mother of three and a member of the Coalition of Independent Childcare Providers. I have a bachelor of arts in child and youth studies and a bachelor of education in the primary/junior level. I have been nurturing and educating children in my home for five years now.

I sit here before you tonight telling you that Bill 10 will not do what Minister Sandals has promised it will do. The regulations will not allow for greater safety. It will not increase transparency. It will fall quite short of fulfilling the needs of Ontario families.

Let's start with safety. Minister Sandals refers to the idea that current brain-based research suggests that two under two is safer and better for child development. This is why she's changing the ratios for ICPs to two under two. Yet she contradicts this research within this bill by allowing child care centres to increase the ratio.

I argue that brain-based research is more focused on the quality of care a child receives than on the actual number of children being cared for. Jill Stamm, PhD, says "that attachment ... is perhaps the most critical factor in future development. The quality of your child's first relationships has broader and longer-lasting effects than any other factor in your control." This is the competitive edge that ICPs have on the daycare industry. My daycare children see my face every single weekday. I am their constant.

You might be thinking, "Michelle, a licensed home daycare can do that too." I don't disagree. The problem lies in the current system of licensing, which will stay the same. I will have to agree to work with an agency or a middleman and I will be gaining a business partner who will take a 40% cut before expenses without doing 40% of their share of work. I want to remain independent. I want to be my own boss.

I think Bill 10 infringes on free enterprise and on my ability to provide for my family by being an entrepreneur.

1930

Members of the coalition of ICPs want the option to be licensed. We have nothing to hide. Therefore, we are asking the ministry for a way to be independently licensed within the bill, to have that written in. Expect us to have current CPR/first aid training and a police check for all adults on the premises. Currently, I offer no less to my families.

Now let's talk about transparency. The Minister of Education implies we are less safe because we are not inspected. I disagree. I am inspected daily. Parents come into my house. They see how many kids I care for and they see me interacting with their children. Who is going to scrutinize my care more thoroughly than the parents?

Now let's talk about meeting the needs of Ontario families. The coalition proposes that 140,000 daycare spots will be lost. That is more than the entire amount of licensed spots Ontario has created in the last 10 years—gone, just like that.

I will lose two daycare spaces if I'm required to count my children in my ratio. Currently, I am making \$11.72



an hour before factoring in my operating costs and taxes. I estimate that after deductions, I am making roughly \$7.45 an hour, which was minimum wage in Ontario in 2005.

If I decided to work with an agency after Bill 10, I could watch four children, plus my own. Before deductions, I estimate I would be making \$9.09 an hour, and after my operating costs, I would be making about \$5.45 an hour, and I would be watching six full-time children during the day, instead of the five I currently am caring for now.

Development is as unique as the individual, and it is clearly understood that children do not hit the same milestones at the same time. By limiting the ability of providers to care for children based on age and not development, we lose out on meaningful opportunities to provide care.

That is the problem with Bill 10: It does not give us the flexibility based on development or on our strength as professionals.

There is no magic switch that makes a child who has passed their 24th month suddenly easier than, say, when they were 20 months or 22 months. Development is a time frame, not a specific event that occurs so many anniversaries after birth.

Including my own children in my ratio will not make my daycare safer, but I will lose the flexibility to take part-time and after-school-care children, and I will lose the full-time space I was going to have in September, when my four-year-old goes to school, all for the sake of an hour.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Michelle Quinn:** Bill 10 is a horrible plan when you consider that Ontario's current daycare costs are the highest in the country. Families are spending more on child care than on university tuition.

I encourage you to listen to ICPs like myself. We are not the enemy. We are the majority of child care in this province. We are the solution to safe, accessible and transparent child care.

Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you so much. You were five minutes, right on.

We now start with Ms. Marlow.

**Mrs. Gila Martow:** Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Martow. Sorry.

**Mrs. Gila Martow:** I like Marlow, but my name is really Martow.

Restaurants have to be licensed and they have to be inspected, and we have a lot of restaurant inspectors going on in this province—a lot more than 66. There are a lot of independent diners, mom-and-pop restaurants.

**Ms. Michelle Quinn:** Yes.

**Mrs. Gila Martow:** You'd agree? I imagine this bill basically telling all those independent restaurants, "You have to be a franchise. You have to decide which franchise you're going to be a part of. You have to pay franchise fees. You have to be supervised by the franchise, and you

have to be cookie-cutter, just the same as all the franchises, because this way we feel comfortable when we go home at night."

These politicians feel comfortable, knowing that your kid is in a daycare where they play with this kind of puzzle, not that kind of puzzle.

I think it's insulting to the parents, that they can't choose a different type of daycare setting for their child. Perhaps there's somebody who has a home that is very good at arts and crafts. Perhaps there's somebody who has a home where they like to play a lot of hockey with the kids outside in their driveway.

We completely lose any individuality. I think that's what really came through in your presentation, and that's what it made me think of.

I really appreciate you coming here. I really don't have any questions for you because, honestly, your presentation was just so bang-on.

**Ms. Michelle Quinn:** If you would let me speak on what you said—

**Mrs. Gila Martow:** But I want you to comment on my comparison.

**Ms. Michelle Quinn:** In my neighbourhood, there is a woman who does homemade pierogies and cabbage rolls. She started off with just a little homemade sign and has grown over the years that I've been in this neighbourhood. I was happy to walk by recently and notice that she has had a health and safety inspection and she has passed.

My question is: If we are concerned about children's safety, why is it, then, that I cannot be allowed in that process? Why can I not have a health and safety inspection in my house? If this woman who sells pierogies can, why can't the people who are caring for children be a part of that process?

**Mrs. Gila Martow:** Exactly, and hang it outside your door, saying, "I've passed inspection. Open for business." Perfect. Thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you. Mr. Tabuns. I didn't know if Mr. McDonald—Mr. McDonnell—wanted to use the rest.

I have a hard time with names.

**Mr. Peter Tabuns:** He's disrupting your train of thought. I understand that. He does that to me as well, even though he's a nice guy.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Go ahead, Mr. Tabuns.

**Mr. Peter Tabuns:** Ms. Quinn, thank you for coming in and speaking to us this evening.

**Ms. Michelle Quinn:** Thank you for having me.

**Mr. Peter Tabuns:** How many children do you look after?

**Ms. Michelle Quinn:** I have a copy of my schedule. It is quite a complex schedule. I have up to 11 children in my care, but never at the same time. I have three of my own, and I care for no more than eight in total, including my three. Now, that is only, for the most, an hour a day.

Like I said, I have a copy of my schedule, if you'd like to see it. It's a lot of juggling of, you know, "This person is here in the morning; this person is here in the

afternoon.” These people don’t overlap on days, but there are 11 children who get to see my face on a weekly basis.

**Mr. Peter Tabuns:** And your three children are all school-aged children?

**Ms. Michelle Quinn:** No. I have one school-aged child—he will be six in January—and I have a three-year-old and a 15-month-old.

**Mr. Peter Tabuns:** Okay. You’re busy.

**Ms. Michelle Quinn:** I am busy.

**Mr. Peter Tabuns:** So you have two under five, three under five—

**Ms. Michelle Quinn:** Three under six.

**Mr. Peter Tabuns:** —three under six, and you have five other children with you at any given time.

**Ms. Michelle Quinn:** During the day, I only watch five full-time children. After school hours, then I have up to eight, but they’re all ages five or above. So during the day, I have five kids, including my own.

**Mr. Peter Tabuns:** And how many are under two?

**Ms. Michelle Quinn:** I have two under two.

**Mr. Peter Tabuns:** So for the most part, you would meet that ratio requirement.

**Ms. Michelle Quinn:** I like to comply within the ratios given to license. I think it’s a good guideline, but it gives me the flexibility to care for, let’s say, children who are above that developmental 24-month check.

**Mr. Peter Tabuns:** I assume you’re in touch with other home daycare providers?

**Ms. Michelle Quinn:** I am.

**Mr. Peter Tabuns:** What’s the average number they have?

**Ms. Michelle Quinn:** Five.

**Mr. Peter Tabuns:** Including their own children?

**Ms. Michelle Quinn:** Not including their own—after school hours.

**Mr. Peter Tabuns:** Okay. Those are the questions I have, Chair. I’m fine. Thank you very much.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you, Mrs. Hoggarth, please.

**Ms. Ann Hoggarth:** Good evening. How are you?

**Ms. Michelle Quinn:** I’m excellent, thank you.

**Ms. Ann Hoggarth:** Thank you very much for coming and presenting to us.

I just wanted to make sure that you knew that we are here because we are listening to concerns, and we are looking for you to put suggestions for amendments forward, and I hope you will do that.

In many of the past presentations, there were a number of presenters who said that they brought forth the British Columbia model of daycare providers. I wondered what you thought of that.

**Ms. Michelle Quinn:** I’m sorry. Off the top of my head, I’m not familiar enough with the British Columbia model to speak to it.

**Ms. Ann Hoggarth:** Well, in British Columbia, the number of children permitted is two, and it does not include their own children. I wondered—and I wanted to ask this earlier of some of the other providers—why they

thought that British Columbia was much better, as it is far more restrictive than what we are proposing.

**Ms. Michelle Quinn:** I would not agree with the British Columbia model. I think that infringes on my ability to know my own limitations. At any given time, I’m interviewing families as much as they are interviewing me. I don’t just say yes to the first child who calls me; I have a wait-list right now of 15 different individuals looking for care. Every time I go to fill a spot, I’m mindful: Who do I have? What are their needs, and how would this person come and fit? When I have an interview, it’s after hours so that I can give them 100% of my attention. They get my policy and procedure book through email, so that they get a grasp of whether or not I’m a good fit for them before they even walk in my door.

I think I can handle the amount of children I have, and I think that greater restrictions will just mean that we won’t be able to increase accessibility across the province.

**Ms. Ann Hoggarth:** But you are living within our new guidelines now, right?

1940

**Ms. Michelle Quinn:** It would cut off my ability to have part-time spaces and after-school-care children.

**Ms. Ann Hoggarth:** So would an amendment about part-time spaces perhaps be a suggestion you would give to the government?

**Ms. Michelle Quinn:** I think we need to consider the amount of after-school-care children, especially in areas where they don’t get it at the school, or, considering we’re not going to include four- and five-year-olds in the legislation, that they have to be provided care within a school board.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Ann Hoggarth:** Okay.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ms. McMahon.

**Ms. Eleanor McMahon:** Hi. Thank you. You’re very passionate. I like that. It’s very impressive. Thank you for coming.

**Ms. Michelle Quinn:** Thank you.

**Ms. Eleanor McMahon:** I want to ask you about being licensed. How do you feel about that?

**Ms. Michelle Quinn:** I would welcome it if I could remain independent.

**Ms. Eleanor McMahon:** Right. What might that look like? If we don’t have time today, could we get some suggestion from you as to what that could look like?

**Ms. Michelle Quinn:** I would love to give some suggestions, yes.

**Ms. Eleanor McMahon:** Yes. We’ve heard from other presenters that they don’t want to pay a fee—

**Ms. Michelle Quinn:** I would like to do it like a licensed does, where—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you, Ms. Quinn.



MS. EMILY ALLISON

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would now call Emily Allison to please come forward. You feel ready?

**Ms. Emily Allison:** Yes, thank you.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Go ahead.

**Ms. Emily Allison:** Thank you for the opportunity to speak to this committee. My name is Emily Allison and I'm a resident of Bowmanville, Ontario. My husband and I have four school-aged children of our own, and I run a reputable and legal independent home daycare.

My daycare offers five valuable childcare spots to our community that are all full, with a waiting list. I have a clean criminal check, including vulnerable sector. I am CPR- and first-aid-certified. My business has contracts, provides receipts, and is insured.

I continue to invest in my business with the purchase of a five-seat stroller, countless puzzles, toys and books, healthy whole foods, and most recently a new home that accommodates my business with a dedicated main floor space. I'm very serious about my job and I'm very good at it.

When parents interview for a spot in my care, I hear resoundingly that they are searching for a home provider who offers a warm, homey environment for their baby, and not a facility with staff turnover. They want healthy, home-cooked meals. They want someone who can be a second mother to their children and provide the continuity of a single provider every day. It is not unusual for a child to stay in my care for years, and we develop a closely bonded relationship.

These are things that licensed centres can't provide, although centres do fill a necessary need within our communities. But we can't deny that the majority of children are in independent home daycares, and my experience is that parents want independent care.

As a small business owner, Bill 10 will affect my job significantly. It proposes to include my four-year-old son in my ratio, even though he is in full-day kindergarten. This means that I will have to eliminate a spot that is filled with a client I have had in care for two and a half years. CICPO, the Coalition of Independent Childcare Providers of Ontario, of which I'm the regional rep for Durham, conservatively estimates that 140,000 existing spots will be eliminated, as providers all over Ontario are also in my position.

Bill 10 is limiting daycare spaces in other ways too. It proposes to restrict our five daycare spots by implementing a two-under-two rule. Minister Sandals was quoted in the *Toronto Star* this weekend as saying that, in case of emergency, "The two-under-two model and a maximum of five presumes that you are going to have one under each arm." If safety is truly the concern, then the under-two group should be consistently a ratio of 1 to 2 across the board. When looked at logically, the two-under-two recommendation comes from a time when maternity leaves were much shorter than a year, and it was infants entering care, not toddlers.

Until recently, I had three children under age two in my care, and all were perfectly mobile. I am extremely cognizant of the skill levels of the children that I have in care and take that into account when adding new children to my group. We spend a great deal of time working on self-help and mobility, including having an emergency plan, to ensure that we all have the skill set necessary for a safe and happy group. The Ombudsman report did not specify age restrictions as an aspect of care that needed to change, and that is important to consider.

It has been suggested that providers contract through companies like Kwartha Child Care or Wee Watch. As a conscious business woman, I simply cannot afford to affiliate with an agency. Agencies charge parents higher fees than I charge and they pay their affiliated providers less than I currently make. Kwartha Child Care has their home provider pay chart publicly available so I know I would make roughly \$1,000 less per month than currently. That would hinder my ability to serve high-quality foods and reinvest back into my business, as I do.

Agency-affiliated providers do not make a living; they earn a supplemental income that is significantly less than minimum wage when calculating the hours involved, and it is not a living wage. I wish to write my own contract, set my own pricing, arrange my own programming, and all the other perks of a small business owner. This is why there are approximately 70,000 independent providers across Ontario: because business-savvy providers choose not to be agency-affiliated.

I suggest that the current regulation of five children under 10, not including our own, remain in place with no age restrictions. This regulation of five under 10 should also apply to the agency sector. I believe that the issue is not in safety but in oversight. As an independent home daycare provider I would welcome a registry system so that we are visible and we can prove our CPR training and our criminal record check.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Emily Allison:** I am not opposed to inspection. I would support a nominal yearly fee to maintain this model. This bill, as it is currently written, will decrease the number of daycare spots, which will increase the cost of these spots. In essence, this is less care for more money, and that is not the right choice for Ontario's families.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you, Ms. Allison. We will now call upon Mr. Tabuns.

**Mr. Peter Tabuns:** Thank you, Chair. Ms. Allison, thank you for presenting this evening.

**Ms. Emily Allison:** Thank you.

**Mr. Peter Tabuns:** Much of what you've said, other people have said, and you've been here for a little while, so you've heard it as well. One of the concerns I have when you say that you don't think that there should be ratios in that group of five children under the age of 10 is that there's always the potential for a provider to take on, say, five children under the age of two. Would that worry you?

**Ms. Emily Allison:** Five children under the age of two?

**Mr. Peter Tabuns:** Yes.

**Ms. Emily Allison:** The reality of home daycare is that I've been open for a number of years now, and I've never had five children under the age of two. Like I said, until recently I had three, but the reality is that children come to us staggered. I have one age off into kindergarten and then I have another 12-month-old start. Until recently I had three under 24 months, but one was 23 months, one was 18 months and one was 13 months. In that way, all three were mobile. The 23-month-old and the 15-month-old have completely different skill sets from each other. I just don't think that the reality is that providers are going to be taking five under two.

**Mr. Peter Tabuns:** Would you agree that it would be a good idea to limit the number of children under two in any one provider's care?

**Ms. Emily Allison:** I support the CICPO recommendation to have five children under the age of 10.

**Mr. Peter Tabuns:** Without a restriction on—

**Ms. Emily Allison:** Yes, sir.

**Mr. Peter Tabuns:** Okay. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ms. McMahon?

**Ms. Eleanor McMahon:** Hi, there. Thanks for coming.

**Ms. Emily Allison:** Thank you.

**Ms. Eleanor McMahon:** A quick question for you: I admire your concern about safety; you're obviously an incredibly committed businesswoman, and you're committed to the children in your care. You have no problem being licensed? That's not an issue?

**Ms. Emily Allison:** I have no problem being independently licensed. I will not work for an agency such as the ones I've listed in my deputation.

**Ms. Eleanor McMahon:** Right. We're hearing that from a lot of people.

**Ms. Emily Allison:** Absolutely.

**Ms. Eleanor McMahon:** That message is coming along loud and clear. So, if not, what might a system of licensing look like to you?

**Ms. Emily Allison:** I'm interested in a registry, to be honest, although "licensing" or "registry" are all semantics. I think that if it's municipally or provincially held and provides addresses of providers, perhaps the names and ages of their charges, their CPR check and their criminal reference check—have those bare minimums of safety in place, and perhaps a yearly inspection to confirm numbers. That's a system that I could support, for a nominal fee.

**Ms. Eleanor McMahon:** That's great. That's the kind of feedback that we're looking for. This is very helpful.

I just want to make something else clear too, because we've had this conversation throughout the evening: Licensing doesn't mean that everyone's home has to be the same. I think you understand that. It would require home providers to meet the same safety requirements—

**Ms. Emily Allison:** Yes.

**Ms. Eleanor McMahon:** But it's not that everybody has to be the same. I think you understand that, right?

**Ms. Emily Allison:** Yes.

**Ms. Eleanor McMahon:** Yes, and this bill doesn't regulate play. We're not trying to regulate play here, right?

**Ms. Emily Allison:** Absolutely.

**Ms. Eleanor McMahon:** I think that has been made clear. Okay. Helpful. Thank you. I really appreciate that.

**Ms. Emily Allison:** Thank you.

**Ms. Eleanor McMahon:** Colleagues? Any more questions on our side?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Crack?

**Mr. Grant Crack:** No. It's good, thanks.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** No? Okay.

**Mr. Grant Crack:** Very good. Thank you.

**Ms. Emily Allison:** Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** On the PC side? Mrs. Martow.

**Mrs. Gila Martow:** Hi. Thanks very much for your great presentation. I think that what's coming out loud and clear from you—as well as some of your colleagues, whether or not you know them—is that you want to be independent. That's the bonus.

**Ms. Emily Allison:** Absolutely.

**Mrs. Gila Martow:** It's not a lot of money, but you're able to keep an eye on your own kids as well as cut down some of the expenses. You don't have to get dressed too fancy for work, you don't have to travel a long distance, and you don't have to worry about parking, gas and things like that. Every job has its pros and cons.

**1950**

We all know that doctors take care of infants, children and women giving birth—nobody suggests that they shouldn't be compensated, so I can't understand why people would think that somebody taking care of children—that it's somehow horrific, that it should be non-profit to take care of children. Well then, you could say that doctors should work also in a non-profit sector, and we certainly don't suggest that.

What I want to make clear—and I want to know if you agree with that. Do you feel that this bill is pushing you to not be independent?

**Ms. Emily Allison:** Absolutely. I think this bill is pushing us towards the licensed sector as far as affiliating with for-profit agencies and whatnot. Like you said, it's a huge hit to my income. I couldn't afford to give back to my daycare how I do in the form of good foods. I prefer a Montessori-style approach, and that doesn't come cheap. I certainly couldn't afford to be affiliated—

**Mrs. Gila Martow:** It's a hit to your income, but it's also a hit to your independence.

**Ms. Emily Allison:** Absolutely.

**Mrs. Gila Martow:** We've heard that somehow there are studies out there that people list, and they say, "Research shows..." Do you know of any studies that show that large centres are better for the development of children than independent daycares?

**Ms. Emily Allison:** I don't. I'm sorry.



**Mrs. Gila Martow:** Because I would beg to differ. I agree with you. I think that independent small daycares probably are better.

**Ms. Emily Allison:** Yes, absolutely, and having that continuity of one provider instead of staff turnover is something to consider as well, because my children know that when they come Monday to Friday, it's me who's going to be there taking care of them every day.

**Mrs. Gila Martow:** Yes. Look, I'm not saying that large centres aren't good. In large urban centres, a lot of times large centres work very well for a lot of different reasons, but I think that parents should have the choice. I believe in that.

**Ms. Emily Allison:** They certainly fill a need, absolutely—

**Mrs. Gila Martow:** And I think we can't have large urban centres in every rural setting. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you for your comments, Mrs. Allison.

#### CHILDCARE RESOURCE AND RESEARCH UNIT

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I would now call Laurie Hatton. Is Laurie here?

Seeing that Laurie is not here, is Martha Friendly here? Martha Friendly from the Childcare Resource and Research Unit. Thank you for coming forward.

Are you ready, Mrs. Friendly?

**Ms. Martha Friendly:** I will be in a minute.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go ahead.

**Ms. Martha Friendly:** Thank you for having me. I've been a policy researcher in early childhood education and child care since about 1968. Even before I immigrated to Canada, I actually worked on one of the first Head Start evaluations. I'm quite familiar with child care across Canada, and I've worked internationally. I'm primarily a policy researcher.

Since we're having personal comments, I am a parent of two children who are grown up and a grandmother of two under two—twins.

I'm going to try to keep my remarks short so that we can spend some time in questions. I just want to present a summary of what my brief that you have says.

First of all, the Childcare Resource and Research Unit supports the intent and purpose of Bill 10, and we urge the Legislature to pass it. We think it's necessary. We agree that new legislation is a necessary component of a high-quality child care system. In general, we support most of the specific clauses and details.

At the same time, we're concerned that so much of the discussion about Bill 10 has become focused on issues associated with unregulated home child care while there are many other important aspects of child care in Ontario that are actually going unaddressed, and I'm going to talk about those a bit at the end.

We are concerned that there has been considerable misinformation and confusion about the nature of regulation in home child care and how it contributes to

child safety and quality. We think this actually warrants a provincial public education campaign. I can tell you that there's a lot of confusion about the nature of regulation in home child care in particular.

The second part of our brief is that we have a number of specific suggestions for both amendments and additions to the legislation. They're not exhaustive, but some of the examples—and you'll find them in the brief—are that we don't support adding one child to six to a family child care home as a way of incentivizing providers to become licensed. We think there are better incentives because we think that's a worthy goal. One of the incentives—I actually agree with the many providers who have opposed the agency fee. I don't think there should be an agency fee that's being paid by the providers. I think that the province should be funding the agencies who are actually monitoring the regulations for compliance. In the other provinces, by the way, that do use an agency model, the provinces do fund the agencies so that providers don't have to pay a fee. I know there's a big objection to that by providers.

I really want to concentrate on the third part of what I want to say. We argue that this legislation alone is not sufficient for the development and sustainability of the high-quality early childhood education and care system that we really feel Ontario needs. We urge the provincial government to begin a full policy process to develop a robust, comprehensive, modernized policy framework, a plan that lays out the provincial government's vision, rationales, principles, short- and long-term plans, and funding and evaluation mechanisms. We think there should be a real, traditional policy process like a white paper that actually backs this kind of important process.

The policy process really needs to address a lot of the key issues that we're skirting around: What about the high-quality child care workforce, including home child care providers that we need to ensure quality services? How can child care and kindergarten become better integrated? How can child care services become more affordable? We heard about fees, and I agree with that. How can the supply of services be grown to cover more than the present 20% of children now covered? How can the child care market be transformed into a system? These are only a few of the important policy issues that need to be addressed.

I would really look forward to working with the provincial government on such a task. I think it's long overdue. A lot of the issues that people are talking about in the context of this bill are things that can only be addressed in that kind of process.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Martha Friendly:** Okay. Well, that's the end of my remarks. I welcome your questions.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you, Ms. Friendly.

We will start with the Liberals. Is it Ms. McMahon?

**Ms. Eleanor McMahon:** Thank you, Madam Chair.

Thank you for your presentation. That's quite a long history in the sector.

**Ms. Martha Friendly:** It is. I've actually been doing this for a long time. I actually really enjoy working on it. It's a very interesting area.

**Ms. Eleanor McMahon:** You started when you were 12.

**Ms. Martha Friendly:** Yes. It's a good job. It's not exactly a job. It's a job.

**Ms. Eleanor McMahon:** Tell me—perhaps it might seem like an obvious question, but what are your thoughts on a national child care plan?

**Ms. Martha Friendly:** How long do you have? I think we absolutely need a national child care program. I was one of the sponsors of the conference in Winnipeg last week. We presented a vision paper that outlines a number of these issues.

I think what's really important about it is that once that vision develops, it starts becoming clearer what you need to do about some of the issues that I'm quite sympathetic with, that are being raised around here. I think there's a lot of misunderstanding about them. But I think it's only by starting with the vision and seeing how it looks nationally that you can understand how each province would fit into it. So I'm absolutely in favour of it.

**Ms. Eleanor McMahon:** You spoke about issues of affordability.

**Ms. Martha Friendly:** Absolutely.

**Ms. Eleanor McMahon:** Can you elaborate a little bit on that?

**Ms. Martha Friendly:** Yes. The reason child care is so expensive is that it's labour-intensive. If you pay the people who are doing it a reasonable amount of money and if you have good ratios, it's too expensive for parents to afford. I'm really familiar with the financing. We have a subsidy system, which works somewhat, but it doesn't really work, and we have other money that goes into it, but we really need to revamp the funding in order to allow affordability and quality and accessibility all at the same time. Basically we're expecting parents to pay the cost, and they cannot.

**Ms. Eleanor McMahon:** Fair enough. We've talked a lot tonight about licensing and regulation and so on. How do you feel about licensing, and what do you think the path forward might be on that?

**Ms. Martha Friendly:** In our kind of system, which is quite privatized, you have to have regulation, let's call it. Licensing is just a form of regulation.

**Ms. Eleanor McMahon:** Yes.

**Ms. Martha Friendly:** It's only one part of it. It's not the be-all and end-all. When you have a system that's much more developed, like some of the European systems, they don't license in the same way. They regulate, as we regulate schools, for example. You do it through technical assistance, not through compliance.

2000

Of course I don't oppose licensing; I'm in favour of it. I think there's a lot of misunderstanding about what you can achieve through licensing. You don't necessarily get high quality. The reason I support the items in the bill,

and I think the Ombudsman said this really clearly, is because you can try to close up some of the loopholes, what he called the most egregious examples, and some of them were pretty egregious, some of the things that were going on—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thirty seconds.

**Ms. Martha Friendly:** That's what I feel about licensing. It's just one piece of it. It doesn't create a system.

**Ms. Eleanor McMahon:** The number one piece of advice for us as we move forward in the next steps of this, in your view?

**Ms. Martha Friendly:** I really do think that the terrain is different than it was when this bill was started. I think there is real talk about a national child care program. I think that there's a lot of talk about a vision of not a market but a system, that we can scope out a vision.

I just want to say to the people who were saying—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you.

**Ms. Martha Friendly:** Okay.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mrs. Martow.

**Mrs. Gila Martow:** You'll get a chance to say it to me.

**Ms. Martha Friendly:** I was going to answer you, actually.

**Mrs. Gila Martow:** What I feel is that you feel that, and tell me if I'm wrong, that the rug has been kind of swept under your feet. You knew that there needed to be some changes, and I'm not going to discount that. But we heard about all-day kindergarten, and originally all-day kindergarten was supposed to be a seamless day where the kids would be in daycare for a couple of hours, then in all-day kindergarten, and half the day would be play time and there'd be multiple programming. It would solve the problem of parents rushing home in the traffic and missing the chance to take their kid to programming because it would all be part of this seamless day. A lot of parents feel—that's what I hear from them—that the rug has been pulled out from them and that all-day kindergarten has not replaced child care. It's not working for a lot of parents. They still have to put their kids in daycare.

In terms of this system, what do you see in a child care system? Because what I see from this, from hearing from a lot of the deputations from the last two days, is that home daycares are providing a much-needed service to parents. They're doing a great job for kids and families. They're very needed in rural communities. What they see happening is that they're losing control; that the control over their home care centres is being given to big agencies and that somehow they're losing all this control and independence.

**Ms. Martha Friendly:** There are about 20 important discussions in there.

**Mrs. Gila Martow:** Sorry, I know. We can meet afterwards.

**Ms. Martha Friendly:** Just to maybe back up a little bit: First of all, we're actually doing a research project on



rural child care needs. It always comes up. I agree that it's a big need. One of the reasons that it's very hard to do rural child care in Canada under the existing funding arrangements is because it's small-scale. I should have my picture of Norwegian child care north of the Arctic Circle, a little A-frame sitting on the rocks, that doesn't have to worry about how it's going to meet its budget because it has a relatively small number of kids, or it can be a home child care.

The community—I don't necessarily agree with you that it's only in cities that you have child care centres. In fact, if you look at European countries that have funded child care, they tend to have a mixture in the community to accommodate different parents' needs, which I really support.

You raised a question about home child care fulfilling a need, which it absolutely does. Without it—

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Martha Friendly:** Yes. It needs to become part of a system so that parents can be assured of safety.

**Mrs. Gila Martow:** And have you explained this to this government, that we need a system and what that system should look like? Maybe you can put that—I know I have a few pages from you, but is that system in here? Because I would love, Martha, to hear what your vision is for the province.

**Ms. Martha Friendly:** I'll forward to the committee the conference's background paper. Maybe that would be helpful, and we could start from there.

**Mrs. Gila Martow:** Okay. And we don't even have to go to Norway.

**Ms. Martha Friendly:** No. It would be nice, though.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Mr. Tabuns.

**Mr. Peter Tabuns:** Although it is nice to go to Norway. Thank you, Chair, and thank you, Martha, for being here this evening. I have a lot of questions about your paper so I'll just pick out one or two.

**Ms. Martha Friendly:** Please.

**Mr. Peter Tabuns:** I wanted to go back to having you complete your thought about why licensing is going to give less than people may think it gives.

**Ms. Martha Friendly:** I think that people in the field—if you talk to the provincial government people, licensing is expected to provide a floor to protect children's health and safety, essentially. I think people generally agree that you get quality—it's way beyond licensing. I think it's really important for parents to be assured that their children are safe, and I don't doubt that people do a good job. It's just that it's very hard for people to know who does a good job and who doesn't do a good job. I think that that's really a problem.

Licensing is really about things that are fairly basic. When we're talking about early childhood education, it's now in the Ministry of Education, so we're talking about, "What is early childhood education and care?" It's beyond that. I don't mean didactic learning with children sitting at desks; I'm very much oriented to play-based early childhood education. When you see that really well

done, it's nothing like what you're talking about when you say that we need licensing to keep children safe.

**Mr. Peter Tabuns:** Okay. That's useful.

**Ms. Martha Friendly:** There's stuff written about that, Peter, as well.

**Mr. Peter Tabuns:** You raised the question in your paper about consideration for children with disabilities.

**Ms. Martha Friendly:** Yes.

**Mr. Peter Tabuns:** It doesn't seem to be addressed in this legislation. Can you enlarge on your concerns?

**Ms. Martha Friendly:** In fact, we discussed this with the provincial officials at a technical briefing and they agreed that it wasn't, so we just recommended a number of ways that you would write it into the legislation. We're not talking about ratios yet; we're just talking about statements about equity and inclusion as a human rights issue. The things that people were saying about how you manage that probably are within regulation. But it was a real oversight, I think, so I recommended an amendment.

**Mr. Peter Tabuns:** Okay. This question of charging parents a fee to be on a waiting list—

**Ms. Martha Friendly:** Good question.

**Mr. Peter Tabuns:** —it came up with CUPE's presentation. I hadn't heard of this before. How widespread is this?

**Ms. Martha Friendly:** It's shockingly widespread, and it's not only in Ontario. I can tell you that my daughter and son-in-law put their names on 11 waiting lists, and five of them charged a fee.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thirty seconds.

**Ms. Martha Friendly:** It's really widespread. I got two emails this week about it, and I actually don't think it should be allowed. I think it's really shocking.

**Mr. Peter Tabuns:** I think you're right.

**Ms. Martha Friendly:** I didn't know about it until about three years ago. It's quite widespread, not only in Ontario but across the country.

**Mr. Peter Tabuns:** You've already spoken about the problems with 12 children with two providers.

**Ms. Martha Friendly:** It has been tried in Ontario and it wasn't a success. What really bothered me was that it was in the legislation—which is a serious thing—without any kind of background—whether it's a good idea or it's a bad idea. I'm not in favour of it, but I think there should at least be discussion about things before it's put into legislation. If somebody wants to try it out as a pilot project, it could be done anyway.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Thank you, Ms. Friendly.

MS. LAURIE HATTON

**The Vice-Chair (M<sup>me</sup> France G  linas):** I would now call upon Laurie Hatton to please step forward.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** No, she is. She's coming right now.

All set?

**Ms. Laurie Hatton:** Yes, I am. Thank you for having me, ladies and gentlemen. My name is Laurie Hatton. I'm an independent child care provider and I'm very happy that I have the opportunity to be with you this evening. Although unusual, I'd just like to take a quick moment to pray.

Father, I just thank you for this opportunity to speak and I pray that you will give all the committee members wisdom as they think about all the various things they're heard over the last two days. I pray that whatever amendments are made will be done in the best interest of the children, that you will give me clarity as I speak, and that you will just help me to stay calm and present well. In Jesus's name, amen.

When my daughter was born I did return to work and was working outside the home. I was very grateful for the opportunity to put my daughter in home child care and for the wonderful care that she received at that time.

When she was four years old, I decided to start my own home daycare. That was over 15 years ago—she's 20 and in France and enjoying the world—and I'm very glad that I made that decision. I continue to do child care today.

As I think about Bill 10 and the changes it will make on our province, it really concerns me greatly. One of the major issues is the two-under-the-age-of-two regulation restriction. I don't know how many of you have spoken with daycare providers or understand that, obviously, the maternity leave is 12 months. Most people who have taken a maternity or paternity leave will be returning at about the 12-month mark. Very rarely do we get calls for children who are two or three years of age in our programs. We do, but most of the time it's for 12-month-olds.

#### 2010

By limiting it to two under the age of two, you are really narrowing down the ability for people to run a home daycare program. It means that people are not going to have choice when it comes to child care. It means that they are going to be having to put their child in a daycare centre as opposed to having a choice that they might want to be in a home.

Many wonderful things have been shared with you over the last two days. I have provided you with a document. As you can see, it has about 16 pages in it so I don't know that I can share anything new, but hopefully there will be some things in there that you haven't considered. It might be some great bedtime reading material for you; who knows?

From talking with people who do home daycare, as well as parents in—I just can't urge you enough to please consider the things that have been shared. By making Bill 10 pass as it's written currently, you will be putting many spots—many spots will be terminated.

I apologize that I'm not eloquent in speaking, and I apologize—I only found out on Friday that I would be speaking here today, so I didn't have the same luxury of time as some of the speakers.

I'm very passionate about Bill 10. That's why I jumped through hoops to get here today. I believe we need to have choice for child care. If people want to be

with an agency, if people want to be in a daycare centre, that's wonderful; they should have that choice. But I believe that for young children especially, home daycare is a wonderful opportunity where people can have a close bond with their provider.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** That's the end of your comments?

**Ms. Laurie Hatton:** I believe that, really, we need to be looking at the enforcement of the rules more than changing the rules. I believe that when something is not broken, we don't need to fix it.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Now you have 30 seconds. We can start with questions if you want.

**Ms. Laurie Hatton:** For myself, I did phone an agency to see what it would entail if I was to be licensed. I didn't feel they really offered, for myself, benefit for what I would be paying. For me, it would be 28% of my income, minimum, that I would be paying. I really think we need to have an opportunity as providers to be licensed directly with the government rather than having to pay a third party agency.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Mr. Dunlop?

**Mr. Garfield Dunlop:** Thank you very much for coming today, Ms. Hatton. I know you're probably not used to public speaking at these intimidating kinds of meetings, but I think you did a good job.

**Ms. Laurie Hatton:** Thank you.

**Mr. Garfield Dunlop:** And I think you've made your point clear. We've heard many, many independent child care providers over the last few hours making the same comments that you have made. When we get to clause-by-clause next week, there'll be a number of amendments, and I only hope that we can address some of those concerns that you've brought up, along with the tens of thousands of people represented by the other independent child care providers.

Really, I just want to say, on behalf of the PC caucus—you're the last deputation in the committee hearings. We would have liked to have had these committee hearings in other communities across the province, but that didn't happen. So I want to thank you and I want to thank all of the independent child care providers who have made a special effort to do a really, really good job here. Some of the comments and some of the presentations have been outstanding. I think we owe it to them to make the proper amendments so that we can continue to have independent child care providers provide valuable service in the province of Ontario, probably with a licensing system by the government and probably with a registry. But we don't want you to lose your incomes and we don't want to lose those child care spaces across our province. So we thank you and thank all independent child care providers for their presentations. Thank you.

**Mrs. Gila Martow:** Do I have a few seconds for a comment?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You do.

**Mrs. Gila Martow:** I always like to make parallels. I know that about myself. What I see this as, you're the



front-line worker, just like a home caregiver for an elderly person—which we all know that we need more money towards that. Instead, what you're being told is that you're going to have to take a cut in salary and that more money will go to administrative costs, because I don't think that there's value in you paying an agency just to be registered, just to be licensed. I agree with you 100% that before we look at having new rules we should enforce the rules that we already have in place.

I want to make one last comment, which is that we all know that kids get a lot of colds. Daycare workers get a lot of colds that they pick up from the kids. I can't imagine that there are more colds being spread in home daycare settings than in big centres. I'm not going to say there are less, but my guess is that there probably are less. That's another reason that we should be taking into consideration, in terms of health care.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. Mr. Tabuns?

**Mr. Peter Tabuns:** Thank you, Chair. Ms. Hatton, thank you for coming this evening and making your presentation. You've echoed what many others have said in the last two days. I appreciate you taking the time. I know that appearing before a committee can be intimidating—as friendly as we may be, colleagues—so I appreciate your effort. I'd like to thank everyone, actually, who has come out and deputed and sat through these hearings. It has been a very useful education for me and, I think, for my colleagues.

**Ms. Laurie Hatton:** I do hope that you will take time to read through the document that I provided you with. I don't like to cut down trees. I don't like to waste your time, but I did personally put together that document. I have attended rallies about this. I have spoken to people. I have really tried to let people know we need amendments. I've tried to put in my document, just since Friday—I had started writing a submission prior to that, but I really hope that you will go through this and you will seriously consider some of the things in making the amendments.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you. To Ms. McMahon.

**Ms. Eleanor McMahon:** Thank you, Madam Chair. Thank you for coming. You know what? You said earlier that you're nervous about speaking—you did great. I want to join my colleagues in thanking you for coming and tell you that you did a marvellous job. It's clear that you care about your business, and so do we, and you care about children, and so do we. So there's a lot that we have in common, and we're starting from that common ground. So thank you for sharing that.

If you could just expand on something, if you don't mind—and it's okay if you can't, but what we're really finding helpful this evening is some advice from you and your colleagues about how we might make these changes in terms of keeping our children safe.

If you were to be licensed—you're fine with that, I'm assuming. You alluded to that earlier. What would that look like, from your perspective?

**Ms. Laurie Hatton:** I actually feel that home daycare providers can self-regulate very well. I don't believe it's necessary for us to be licensed necessarily in order to do a good job. I don't think the system is broken. I don't know that it necessarily needs to be changed by being with a licensed agency. But if you mean in the sense of being able to be licensed directly with the government, that would be wonderful. We certainly are not opposed to inspections and having people coming in and checking. I have a police check. I have the children's aid society check. The fire and health department have actually inspected my home. So most of the things that would be required for an agency, I've already taken the initiative to do.

I think it's important that people have the opportunity to be licensed too, that people know that their children are being—that the care is being monitored, but not necessarily through a third party agency that is going to take a substantial income and that has a vested interest in what they're doing in the inspections and so forth.

**Ms. Eleanor McMahon:** We've heard that a lot, in terms of protecting your income. What I've been asking people about tonight is really about how we could look at alternative models of care, rather than having you pay an agency, but some other models for licensing that might achieve the same balance and yet avoid you having to pay that kind of fee, which feels onerous, doesn't it?

**Ms. Laurie Hatton:** I think if there could be some kind of a registry where we could be independently licensed—I don't know the exact terminology for it, but rather than it being through a third party, someone who is doing it as a profit type of thing. From what I've understood in interviewing parents for child care, they don't necessarily feel that the quality of care they would receive through an agency is any better, and, in some cases, is even substandard to the care that they're seeing in a program like mine.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Fifteen seconds.

**Ms. Eleanor McMahon:** Okay. Super. Thank you. Again, thanks for coming.

**Ms. Laurie Hatton:** You're welcome.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Thank you so much. You are free to go as you wish.

For the members of the committee, I want to remind everybody that the deadline for filing amendments for the bill, that you have to file with the Clerk, is this Thursday at noon. They have to be received by the Clerk by this Thursday at noon. The committee will be adjourning in a few seconds, and we will gather again next Monday at 2 for clause-by-clause consideration.

Thank you so much. Thank you for everyone who has been here with us. I see that some of you have stayed for the two days and have listened to all of it. We certainly appreciate your involvement.

Ça nous a fait extrêmement plaisir de vous souhaiter la bienvenue à Queen's Park.

If there are no more comments, we are adjourned.

*The committee adjourned at 2021.*

## **STANDING COMMITTEE ON SOCIAL POLICY**

### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Substitutions / Membres remplaçants**

Mr. Grant Crack (Glengarry–Prescott–Russell L)

Mr. Garfield Dunlop (Simcoe North / Simcoe-Nord PC)

Ms. Ann Hoggarth (Barrie L)

Ms. Eleanor McMahon (Burlington L)

### **Also taking part / Autres participants et participantes**

Ms. Lisa MacLeod (Nepean–Carleton PC)

Mr. John Vanthof (Timiskaming–Cochrane ND)

### **Clerk / Greffière**

Ms. Valerie Quioc Lim

### **Staff / Personnel**

Ms. Elaine Campbell, research officer,  
Research Services

Ms. Erin Fowler, research officer,  
Research Services



## CONTENTS

Tuesday 18 November 2014

Child Care Modernization Act, 2014, Bill 10, Mrs. Sandals / Loi de 2014 sur la modernisation des services de garde d'enfants, projet de loi 10, Mme Sandals .....	SP-55
Coalition of Independent Childcare Providers of Ontario.....	SP-55
Ms. Heidi Higgins	
Ms. Kim LeGallais	
Parks and Recreation Ontario.....	SP-58
Ms. Diane English	
Ontario Municipal Social Services Association.....	SP-60
Ms. Petra Wolfbeiss	
Ms. Kim LeGallais .....	SP-63
Ms. Julia Dewing .....	SP-66
Ms. Becky Kurz .....	SP-68
Ms. Lisa MacDonald.....	SP-71
Humberside Montessori School .....	SP-73
Mr. Felix Bednarski	
Coalition of Independent Childcare Providers of Ontario, Ottawa chapter .....	SP-75
Ms. Velvet LeClair	
Ms. Jillian Henderson.....	SP-77
BrightPath Early Learning and Child Care; Pathway Group .....	SP-80
Ms. Mary Ann Curran	
Mr. Allan Rewak	
Canadian Union of Public Employees, Ontario .....	SP-82
Mr. Fred Hahn	
Ms. Athina Basiliadis	
Ms. Michelle Quinn .....	SP-85
Ms. Emily Allison .....	SP-88
Childcare Resource and Research Unit.....	SP-90
Ms. Martha Friendly	
Ms. Laurie Hatton .....	SP-92

CAZON  
XC14  
-578



SP-4

SP-4

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 24 November 2014

# Journal des débats (Hansard)

Lundi 24 novembre 2014

## Standing Committee on Social Policy

Child Care Modernization  
Act, 2014

## Comité permanent de la politique sociale

Loi de 2014 sur la modernisation  
des services de garde d'enfants



Chair: Peter Tabuns  
Clerk: Valerie Quioc Lim

Président : Peter Tabuns  
Greffière : Valerie Quioc Lim



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Monday 24 November 2014

Lundi 24 novembre 2014

*The committee met at 1400 in room 151.*CHILD CARE MODERNIZATION  
ACT, 2014LOI DE 2014 SUR LA MODERNISATION  
DES SERVICES DE GARDE D'ENFANTS

Consideration of the following bill:

Bill 10, An Act to enact the Child Care and Early Years Act, 2014, to repeal the Day Nurseries Act, to amend the Early Childhood Educators Act, 2007, the Education Act and the Ministry of Training, Colleges and Universities Act and to make consequential and related amendments to other Acts / *Projet de loi 10, Loi édictant la Loi de 2014 sur la garde d'enfants et la petite enfance, abrogeant la Loi sur les garderies, modifiant la Loi de 2007 sur les éducatrices et les éducateurs de la petite enfance, la Loi sur l'éducation et la Loi sur le ministère de la Formation et des Collèges et Universités et apportant des modifications corrélatives et connexes à d'autres lois.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Et voilà. Good afternoon, everyone. Bonjour tout le monde. My name is France Gélinas, and I'll be your Chair for this afternoon. The Standing Committee on Social Policy will now come to order.

We are here for clause-by-clause consideration of Bill 10, An Act to enact the Child Care and Early Years Act, 2014, to repeal the Day Nurseries Act, to amend the Early Childhood Educators Act, 2007, the Education Act and the Ministry of Training, Colleges and Universities Act and to make consequential and related amendments to other Acts.

Please note that we have from now until 3. At 3, I will be required to interrupt the proceedings—right in the middle of a sentence, if need be—and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendments. From that point forward, those amendments which have not yet been moved shall be deemed to have been moved.

Are there any comments or questions before we go to section 1 of the bill? I recognize Mr. Dunlop.

**Mr. Garfield Dunlop:** I just want to make sure I'm clear on the time allocation motion. Do we have an opportunity for an opening statement?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You do. Would you like to do this now?

**Mr. Garfield Dunlop:** I'd like to do that at the very beginning. I'm not saying an hour or anything like that—just a few minutes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I will take Mr. Tabuns's point of order, and then I'll give you your opening comments right after.

**Mr. Garfield Dunlop:** Okay. I had another question before—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Go ahead.

**Mr. Garfield Dunlop:** I wanted to say that the official opposition will be asking for recorded votes on all of these amendments. Can I ask for that right up front so I don't have to ask it on each motion?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Yes, you can.

**Mr. Garfield Dunlop:** We'd like to ask for recorded votes on each motion.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Mr. Tabuns.

**Mr. Peter Tabuns:** I didn't hear you clearly, Chair. I was considering some notes. It's at 3 o'clock tomorrow?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Today. We have an hour. That's all. After an hour, every motion is deemed to have been moved.

**Mr. Peter Tabuns:** I don't think we'll be making it all the way to 6, then.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** No.

**Mr. Peter Tabuns:** I do have a question, and it's for the government party. I've informed the minister's office. In the past, I've been asked by a constituent who is concerned about the bill. Under the Day Nurseries Act, it was very clear that child care services provided for payment were regulated. She was concerned that in the current writing there isn't that clarity.

I'd like it to be on the record that the government has no interest in this bill applying to children's birthday parties or to people exchanging babysitting for each other—say, someone has to go out shopping: "Will you look after my kids for a few hours?" Can you speak to that?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Crack?

**Mr. Grant Crack:** Can you repeat your first point?

**Mr. Peter Tabuns:** The bill does not explicitly say that looking after children for money is what is being regulated. People don't want to be in a situation where



they might find that a children's birthday party would be regulated or that if they were looking after a neighbour's child, when they went out to do some shopping briefly—that that would not be covered by this act.

**Mr. Grant Crack:** The position of the government would be—and this is from my perspective—not to regulate birthday parties and that type of thing.

**Mr. Peter Tabuns:** And incidental exchange of baby-sitting between families?

**Mr. Grant Crack:** If they're not a licensed or an unlicensed child care provider, then I don't believe the legislation would capture that.

**Mr. Peter Tabuns:** Your only concern in this legislation is people who are providing a service for money.

**Mr. Grant Crack:** Correct.

**Mr. Peter Tabuns:** Good.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Mr. Dunlop wanted to do an opening statement. Everyone, understand that the one hour is now ticking. We have from 2 till 3.

Go ahead, Mr. Dunlop.

**Mr. Garfield Dunlop:** The other question I wanted to ask is, when every motion is read out, does that mean that there's no debate at all on it? You just vote on it? Or can we—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You are absolutely right. After 3, there will no debate.

**Mr. Garfield Dunlop:** Not even a comment from the parliamentary assistant or from the critic or anything? It's just a straight vote?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Correct. That's what was voted on in the time allocation motion.

**Mr. Garfield Dunlop:** That's what the Liberals voted on in the time allocation motion.

*Interjection.*

**Mr. Garfield Dunlop:** This is unbelievable. So 90 amendments get absolutely no debate whatsoever.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** After 3, no, there won't be any debate. Before 3, I encourage you to use your time wisely. So you have an hour—now, actually, you have 54 minutes.

Any more opening comments before we start? Yes, Mr. Tabuns.

**Mr. Garfield Dunlop:** Well, that's not my opening comment.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. I'll do Mr. Tabuns, then I'll come to your opening remarks.

**Mr. Garfield Dunlop:** Okay.

**Mr. Peter Tabuns:** I'll be brief as well. It is completely outrageous to have only one hour for debate. I understand why the government is time-limiting, but I don't agree with it; I haven't supported it. To have only one hour open for commentary is quite extraordinary, and I think the government should be ashamed of itself for doing this.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Mr. Dunlop, you wanted to make some opening comments.

**Mr. Garfield Dunlop:** Thank you very much, Madam Chair. This adds even more support for the comments I wanted to make.

This bill is a very, very important bill, not only for today when it passes but for the long-term future of child care in Ontario. What we tried to point out during the previous three or four weeks is that we need to see more consultation on this particular bill. We were accused in the House, by the minister, of playing games because we tried to get out and inform the public; we asked for travel within the province of Ontario.

To think that a bill like this would be passed and rubber-stamped this afternoon—it'll likely all be done by dinnertime. That's probably what's going to happen. It's nothing more than a kangaroo court, as far as I'm concerned. We had asked for travel around the province. The government went back and said, "Well, we consulted on the previous bill"—not knowing whether they'd ever win the election again.

We felt that it was a real opportunity, Madam Chair, to spread the word, particularly to the people who had never been consulted, and that's the independent child care providers of Ontario. You've seen them here. They made some really good statements. I feel proud of the fact that we brought those sorts of people to the table. Only a few months ago, they weren't even organized in any way and, of course, they had not been consulted with. They're the huge losers on this. Many of the people who helped draft this bill sat at this table and were part of the presenters, some of the people who support Bill 10. They were actually some of the folks who helped draft the bill.

So here we are. It's supposed to be democratic—

**Mrs. Gila Martow:** Democracy loses.

**Mr. Garfield Dunlop:** Yes, democracy.

The people who look after about 80% of the young people in the province of Ontario have been left out of these consultations.

I guess the government should be proud of themselves. I'm with Mr. Tabuns; I say shame on the government for the way they've treated people. I understand there are a couple of little carrots in here to try to calm people down, but this is not going to calm people down.

I also want you to know that the Ombudsman is watching this very carefully. There was a discussion with him this morning. There have been a couple of discussions in the last week. As these businesses close in Ontario, the Ombudsman has asked us to provide him with what daycares are closing and how many child care spaces will be lost. Most of these, of course, are the independent child care providers who don't want to sign up with an agency or whatever organization is out there.

We think there has been a real collusion between the government and the agency system, and as a result of that, they've left out all of the independent child care providers in Ontario. These are the ones who are unlicensed, but they are not illegal. You heard over and over again in the statements made in this House—the people who took a lot of pride in their work.

Parental choice is a very, very important factor here. Because so many people won't be able to earn a living,

they'll shut the businesses down, so those choices will go. Those choices will leave the parents, and then what'll happen? It'll drive up the cost of daycare everywhere, which becomes like another tax on the young families in Ontario.

We might as well walk out of this place and forget that anything has ever happened, because the government is going to rubber-stamp this. They're going to put people out of work. Then we're going to lose, we think, over 140,000 child care spaces—

**Interjection:** Minimum.

**Mr. Garfield Dunlop:** —minimum, and we'll find those numbers very, very quickly. How are those children going to be looked after? We've just cut \$500 million out of the education budget, so none of that money will be available. So what will happen to these young families?

I could talk here all day. I'm disgusted with this sort of attempt on closure. I was so sure that the government would want to travel this bill and get this thing right. I thought it was a no-brainer to travel it. I can hardly believe, here we are at the end of November time-allocating it. Maybe they'll find a couple of hours this week for that three hours and stamp it before December 1. If that's what they want, that's what they want, but the reality is that there's really been no consultation on this. This is a kangaroo court as far as I'm concerned. Shame on the Liberal government for attempting to do this to the people of Ontario.

Those are my comments.

1410

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Anybody else have comments before we start? Hearing none, I would start and I will try to use our time wisely. Therefore, I suggest that section 1, section 2 and section 3, given that there are no motions for any one of those three sections—I suggest that all three sections carry? Are you ready to vote?

**Mr. Grant Crack:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Recorded vote.

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** The three sections, 1, 2 and 3, carry.

I'm now at schedule 1. In schedule 1, there is section 1 and I see that there's a motion from the NDP. Mr. Tabuns.

**Mr. Peter Tabuns:** I move that subsection 1(2) of schedule 1 to the bill be amended by striking out “and” at the end of clause (e), by adding “and” at the end of clause (f) and by adding the following clause:

“(g) establishes the duties of the minister with respect to the development of a policy framework for child care and Early Years programs and services that is focused on,

“(i) maximizing the provision of high quality programs and services that are accessible to and that meet the needs of families in all communities, and

“(ii) maximizing the provision of programs and services mentioned in subclause (i) by not-for-profit operators or public operators who are licensed under this act.”

Very briefly, Chair: I think that building a non-profit and public child care system is crucial to meeting child care needs in Ontario.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Comments from the other parties? Hearing none, are you ready to vote?

**Mr. Peter Tabuns:** Recorded.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** This will be a recorded vote.

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** The amendment is lost.

I would now ask that that we would vote on schedule 1, section 1, as written. Shall schedule 1, section 1 carry? All those in favour? Recorded vote.

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Dunlop, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Schedule 1, section 1 carries.

I'm now at schedule 1, section 2. I see that we have a motion from the PCs.

**Mr. Garfield Dunlop:** I move that the definition of “child” in subsection 2(1) of schedule 1 to the bill be amended by striking out “13 years” and substituting “10 years”.

By allowing the definition of “child” to be 10 instead of 13, daycare providers will be able to take on more children, as those older children who require less supervision will not count against their cap of five total children. It will also make it easier for parents to find a daycare as more spaces will be available with less ages covered under the cap.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Comments from the other parties? Hearing none, are we ready to vote on motion number 2? Recorded vote.



**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare motion 2 lost.

Given that there are no more motions in section 2, are we ready to vote on schedule 1, section 2? Recorded vote.

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare schedule 1, section 2 carried.

I'm now looking at schedule 1, section 3. There are no amendments proposed. Are we ready to vote?

Shall schedule 1, section 3 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare schedule 1, section 3 carried.

I'm now at schedule 1, section 4. There is a government motion. Who wants to present? Mr. Crack.

**Mr. Grant Crack:** I move that subsection 4(3) of the Child Care and Early Years Act, 2014, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Camps, exception

“(3) Paragraph 9 of subsection (1) does not include temporary care for or supervision of children that is provided as part of a camp,

“(a) that is operated by a person who,

“(i) stopped operating a child care centre at a premises for the purpose of operating the camp at the premises,

“(ii) stopped providing home child care at a premises for the purpose of operating the camp at the premises,

“(iii) stopped providing child care described in paragraph 2 of subsection 6(3) at a premises for the purpose of operating the camp at the premises, or

“(iv) stopped operating any other child care program or service prescribed by the regulations at a premises for the purpose of operating the camp at the premises; and

“(b) that is operated during the same or similar hours as before the operation of the camp and where the child

care provided is otherwise of the same nature as before the operation of the camp.”

**The Vice-Chair (M<sup>me</sup> France G  linas):** Any comments? Hearing none, are we ready to vote on motion number 3?

**Mr. Grant Crack:** Yes.

**The Vice-Chair (M<sup>me</sup> France G  linas):** All those in favour? This is a recorded vote.

**Ayes**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare motion number 3 carried.

Shall schedule 1, section 4 carry, as amended? Ready to vote?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Schedule 1, section 4, as amended, is carried.

I see no amendments to schedule 1, section 5, so are we ready to vote?

Shall schedule 1, section 5 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Schedule 1, section 5 carried.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France G  linas):** Opposed?

**Mr. Garfield Dunlop:** That was us.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I'm so sorry.

**Mr. Garfield Dunlop:** That's okay.

**The Vice-Chair (M<sup>me</sup> France G  linas):** All those opposed?

**Mr. Garfield Dunlop:** You've got a long day ahead of you. I oppose this whole bloody bill, just so you know.

**The Vice-Chair (M<sup>me</sup> France G  linas):** You need to keep your hands up while she calls you. All those opposed?

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** And we have just started.

I declare schedule 1, section 5 carried.

I'm now at schedule 1, and we're entering section 6. There are a number of motions, and we'll take them in order.

Motion number 4, by the NDP: Mr. Tabuns.

**Mr. Peter Tabuns:** I move that sub-subparagraph 1 i A of subsection 6(3) of schedule 1 to the bill be amended by striking out “six children” and substituting “five children”.

We don't believe that the increase is good for quality of care.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any comments to this motion? Hearing none, all those in favour of motion number 4, please?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the motion lost.

I'm now moving on to motion number 5: Mr. Tabuns.

**Mr. Peter Tabuns:** I move that sub-subparagraph 1 i B of subsection 6(3) of schedule 1 to the bill be struck out and the following substituted:

“B. by two child care providers for no more than eight children, if the child care is provided at a premises that is operated under a co-operative model by parents of the children for whom the child care is provided.”

1420

Chair, I'm aware that there are some informal child care operations that are run by parents for their children. The ratio that I've suggested is consistent with the European Union's one adult to four children, so a maximum of eight children or a minimum of two adults in attendance. I think this is of use to parents who come together to form their own daycare co-op.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any other comments? Hearing none, all those in favour of motion number 5?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the motion lost.

Motion number 6: Mr. Tabuns.

**Mr. Peter Tabuns:** I move that subsection 6(3) of schedule 1 to the bill be amended by striking out “or” at the end of sub-subparagraph 1 i A and by striking out sub-subparagraph 1 i B.

Chair, I think the idea of groups of 12 children looked after by two caregivers is something that's already been tried in Ontario, has failed, is associated with very low-quality child care and should be rejected.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, ready to vote? Shall NDP motion number 6 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the motion lost.

Motion number 7: Mr. Dunlop.

**Mr. Garfield Dunlop:** Withdrawn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Withdrawn? Okay.

Motion number 8 by the NDP: Mr. Tabuns

**Mr. Peter Tabuns:** Just one second. Because 5 failed, I will be moving this.

I move that subparagraph 1 iv of subsection 6(3) of schedule 1 to the bill be struck out and the following substituted:

“iv. The group of children does not include,

“A. more than two children who are younger than two years old, or

“B. if the director authorizes under section 27 the provision of child care for more children who are younger than two years old, more than the number specified by the director.”

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any comments?

**Mr. Peter Tabuns:** No.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Hearing none, ready to vote?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Still on schedule 1, section 6—

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the motion lost.

We're now at motion number 9.

**Mr. Peter Tabuns:** I withdraw, Chair.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Withdraw?

**Mr. Peter Tabuns:** Yes. It's redundant.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** With an explanation or no?

**Mr. Peter Tabuns:** No.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I'm now at motion number 10. Mr. Dunlop.



**Mr. Garfield Dunlop:** I move that subparagraph 1 iv of subsection 6(3) of schedule 1 to the bill be struck out.

Excuse me just a second here, Madam Chair.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Any comments?

**Mr. Garfield Dunlop:** Yes, just one second here.

By eliminating the restrictions, we allow daycare providers and parents to decide what is best for their child. By the way, this amendment would remove the two-under-two provision completely. This would reduce the scope of any nanny state and allow for more individual freedom and choice. It would also help open up spaces for parents as they are not restricted by the number of young children they can have. They are, however, restricted in the total number of children they can have. Essentially, if a daycare provider is an excellent caretaker for infants, why should we restrict their ability to provide that care?

**The Vice-Chair (M<sup>me</sup> France G  linas):** Any further comment on motion number 10? Hearing none, all those in favour?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare the motion lost.

Motion number 11: Mr. Dunlop.

**Mr. Garfield Dunlop:** I move that subparagraphs 1 iv A and B of subsection 6(3) of schedule 1 to the bill be struck out and the following substituted:

“A. more than two children who are younger than two years old, or”

The amendment would keep the two-under-two provision and extend it to it daycares that have multiple providers.

**Mrs. Gila Martow:** Are you going to withdraw?

**Mr. Garfield Dunlop:** Oh, I’m sorry. I apologize, Madam Chair and members of the committee. We withdraw that.

**The Vice-Chair (M<sup>me</sup> France G  linas):** You withdraw?

**Mr. Garfield Dunlop:** Yes. I apologize.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Okay. We’re now at motion 12. Mr. Dunlop.

**Mr. Garfield Dunlop:** I’m having trouble keeping up now, we’re going through this so quickly.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I’m trying to use our time wisely. We have 54 minutes.

**Mr. Garfield Dunlop:** I move that subparagraphs 1 iv A, B and C of subsection 6(3) of schedule 1 to the bill be struck out and the following substituted:

“A. in the circumstances described in subparagraph i A, more than one child who is younger than one year old,

“B. in the circumstances described in subparagraph i B, more than two children who are younger than one year old or, if a lesser number is prescribed, more than the prescribed number, or

“C. if the director authorizes under section 27 the provision of child care for more children who are younger than one year old than the number that applies for the purposes of subparagraph A or B, more than the number specified by the director.”

**The Vice-Chair (M<sup>me</sup> France G  linas):** I hate to interrupt you, but it said “sub-subparagraph i B” and “sub-subparagraph i A.” You only said “subparagraph.” I think you meant sub-subparagraph.

**Mr. Garfield Dunlop:** Yes, i B? Okay.

**The Vice-Chair (M<sup>me</sup> France G  linas):** You did?

**Mr. Garfield Dunlop:** Thank you. I’m sorry.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Go ahead. Any comments?

**Mr. Garfield Dunlop:** Yes. By changing the provision to one under one, it would actually allow for more children of all ages as there would be no limit in the number of children aged two years old. The bill correctly restricts the one-to-two-year-old category. Therefore, this amendment would increase the flexibility for parents and daycare providers while upholding the overall cap on the total number of children.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Any further comment on motion 12? Hearing none, all those in favour?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare the motion lost.

Motion 13, a PC motion: Mr. Dunlop.

**Mr. Garfield Dunlop:** I move that subparagraphs—

**The Vice-Chair (M<sup>me</sup> France G  linas):** It’s a sub-sub.

**Mr. Garfield Dunlop:** What?

**The Vice-Chair (M<sup>me</sup> France G  linas):** Sub-sub.

**Mr. Garfield Dunlop:** What did I say?

**Mrs. Gila Martow:** It’s a sub-subparagraph.

**Mr. Garfield Dunlop:** Oh yeah, sorry. Okay. I’m reading too fast, here.

I move that sub-subparagraphs 1 iv A, B and C of subsection 6(3) of schedule 1 to the bill be struck out and the following substituted:

“A. in the circumstances described in subparagraph—

**Mrs. Gila Martow:** Sub-subparagraph.

**Mr. Garfield Dunlop:** Okay—“sub-subparagraph i A, more than two children who are younger than two years old,”—these bloody optometrists—“unless they are of common parentage,

“B. in the circumstances described in subparagraph”—

**Mrs. Gila Martow:** Sub-sub.

**Mr. Garfield Dunlop:** —“sub-subparagraph i B, more than four children who are younger than two years old or, if a lesser number is prescribed, more than the prescribed number, unless they are of common parentage, or

“C. if the director authorizes under section 27 the provision of child care for more children who are younger than two years old than the number that applies for the purposes of sub-subparagraph A or B, more than the number specified by the director, unless the children who are younger than two years old are of common parentage.”

If I may, Madam Chair, the rationale is: By allowing for an exemption for siblings, parents will have an easier time finding spots for their children. Under the current provision, a family that has twins or multiple children under the age of two would have a difficult time getting into one daycare. They would have to find a daycare that has no children under two years of age currently and then occupy both spots. If there is already a child under two, it is very likely they would have to find two daycares for their children, making it difficult for pickups and drop-offs, payment etc. If a family has triplets, they would by law have to separate the daycares they are in because no single provider daycare can have three children under the age of two at once.

**Mrs. Gila Martow:** It's discrimination.

**Mr. Garfield Dunlop:** Discrimination, yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, all those in favour of PC motion 13?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** PC motion 13 is defeated.

I now move to PC motion 14.

**Mr. Garfield Dunlop:** I move that sub-subparagraph 1 iv B of subsection 6(3) of schedule 1 to the bill be amended by striking out “or, if a lesser number is prescribed, more than the prescribed number”.

1430

The rationale for that is, we're in favour of the increased predictability that this amendment offers for child care providers, as it eliminates the government's ability to quietly reduce the cap even further through regulation.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, all those in favour of PC motion 14?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the motion lost.

PC motion 15.

**Mr. Garfield Dunlop:** I move that subparagraph 2 i of subsection 6(3) of schedule 1 to the bill be struck out and the following substituted:

“i. The child care is provided for no more than five children.”

The rationale behind that is, we do not want the government further limiting the ability of unlicensed child care providers to provide a service to the public. If the parents want to use them, and the child care providers are doing a good job, we should not limit them further. If the government chooses to reduce the cap further, it would limit the number of spaces available. It also allows for predictability for the child care sector. That's it.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Very good. Any more comments? Hearing none, all those in favour?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion 15 lost.

PC motion 16: Mr. Dunlop.

**Mr. Garfield Dunlop:** I move that subparagraph 2 iii of subsection 6(3) of schedule 1 to the bill be struck out.

The rationale for that is, by eliminating the restrictions, we allow daycare providers and parents to decide what is best for their child. This would reduce the scope of the nanny state and allow for more individual freedom and choice. It would also help open up spaces for parents, as they are not restricted by the number of young children they can have. They are, however, restricted in the total number of children they can have. Essentially, if a daycare provider is an excellent caretaker for infants, why should we restrict their ability to provide that care?

This motion is nearly identical to PC motion 10, but for unlicensed providers this time.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any other comments to PC motion 16? Hearing none, all those in favour of PC motion 16?

**Ayes**

Dunlop, Martow.



**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion 16 lost.

PC motion 17.

**Mr. Garfield Dunlop:** I move that subparagraph 2 iii of subsection 6(3) of schedule 1 to the bill be struck out and the following substituted:

“iii. The group of children does not include more than one child who is younger than one year old.”

The rationale for that is that by changing the provision to one under one, it would allow for more children of all ages, as there would be no limit on the number of children aged one to two years old. The bill currently restricts the one-to-two-year-old category. Therefore, this amendment would increase the flexibility for parents and daycare providers while still upholding the overall cap on the number of children.

This motion is nearly identical to PC motion 12, but for unlicensed providers this time.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any more comments? Hearing none, all those in favour of PC motion 17?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion 17 lost.

PC motion 18.

**Mr. Garfield Dunlop:** I move that subparagraph 2 iii of subsection 6(3) of schedule 1 to the bill be amended by adding “unless they are of common parentage” at the end.

By allowing for an exemption for siblings, parents will have an easier time finding spots for their children. Under the current provision, a family that has twins or multiple children under the age of two would have a difficult time getting them into one daycare. They would have to find a daycare that has no children under two years of age currently and then occupy both spots. If there is already a child under two, it is very likely they would have to find two daycares for their children, making it difficult for pickups and drop-offs, payment etc. If a family has triplets, they would, by law, have to separate the daycares they are in because no single provider daycare can have three children under the age of two at once.

This motion is nearly identical to PC motion 13, but for unlicensed providers this time.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any more comments? Hearing none, all those in favour of PC motion 18?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion 18 lost.

PC motion 19.

**Mrs. Gila Martow:** I’ll take over so he has a bit of a break.

I move that subsection 6(5) of schedule 1 to the bill be amended by striking out “six years old” and substituting “four years old”.

The rationale is that by reducing the age, we are allowing daycare providers the potential to have more children in their total from families that actually pay for the service. Looking after your own child does not generate any revenue for the child care provider, so reserving a spot for their own kid essentially means providers are taking a loss until that child is old enough not to count against their cap. This change simply makes that change sooner.

It will also increase the number of spots available for parents who do not run a daycare.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, all those in favour of PC motion 19?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion 19 lost.

PC motion 20: Ms. Martow.

**Mrs. Gila Martow:** I move that subsection 6(5) of schedule 1 to the bill be struck out and the following substituted:

“Children of the provider

“(5) For the purposes of counting children at a premises under paragraphs 1 and 2 of subsection (3), a child care provider’s own children who are at the premises and who exceed three in number shall be counted unless they are six years old or older.”

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any comments?

**Mrs. Gila Martow:** The rationale is this would essentially exempt all of the child care provider’s kids from counting against the cap. This opens up more spaces for other families, generates more revenue for the daycare provider and lessens the effect of the hard cap.

Also, it is very common for a mother to have multiple children close in age. If that’s the case, and they can only have five kids total, the daycare may only have two

paying clients at one time. That's hardly enough income to run a business.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, all those in favour of PC motion 20?

### Ayes

Dunlop, Martow.

### Nays

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion 20 lost.

NDP motion 21.

**Mr. Peter Tabuns:** My previous motion failed. This is withdrawn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Withdrawn. NDP motion 22.

**Mr. Peter Tabuns:** Withdraw.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. I am at government motion 23. Mr. Crack.

**Mr. Grant Crack:** I hope everyone has a few minutes.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** No, it's a very long—would the committee—

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I'm at the will of the committee.

**Mr. Grant Crack:** No, I think it would be more than appropriate if I were to read it into the record. That's fair.

I move that section 6 of the Child Care and Early Years Act, 2014, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Prohibition—operation of child care centre

“6(1) No person shall operate a premises where child care is provided except under the authority of a licence to operate a child care centre.

“Same, premises specified in licence

“(2) Subject to section 26, a person who holds a licence to operate a child care centre is authorized to operate the centre only at the premises specified in the licence.

“Exceptions

“(3) Subsection (1) does not apply in respect of the provision of child care in any of the following circumstances:

“Home child care

“1. The child care provided at the premises meets the following criteria:

“i. The child care is provided,

“A. by one child care provider for no more than six children at any one time or, if a lesser number is prescribed in accordance with subsection (6), no more than the prescribed number of children at any one time, or

“B. if the regulations so provide, by two child care providers for no more than twice the number of children

that applies for the purposes of sub-subparagraph A or, if a lesser number is prescribed, no more than the prescribed number of children.

“ii. There is an agreement between a home child care agency and the child care provider that provides for the agency's oversight of the provision of care.

“iii. The home child care agency has been advised of all of the children at the premises.

“iv. The group of children does not include,

“A. in the circumstances described in sub-subparagraph i A, more than two children who are younger than two years old,

“B. in the circumstances described in sub-subparagraph i B, more than four children who are younger than two years old or, if a lesser number is prescribed, more than the prescribed number, or

1440

“C. if the director authorizes under section 27 the provision of child care for more children who are younger than two years old than the number that applies for the purposes of sub-subparagraph A or B, more than the number specified by the director.

“Unlicensed child care, five children or less

“2. The child care provided at the premises meets the following criteria:

“i. The child care is provided for no more than five children at any one time or, if a lesser number is prescribed by the regulations, no more than the prescribed number of children at any one time.

“ii. There is no agreement between a home child care agency and the child care provider that provides for the agency's oversight of the provision of care.

“iii. The group of children does not include more than two children who are younger than two years old.

“In-home services

“3. The child care provided at the premises meets the following criteria:

“i. The child care is provided for a child at his or her home, or at another place where residential care is provided for the child.

“ii. There is an agreement between a home child care agency and the child care provider that provides for the agency's oversight of the provision of care.

“iii. The home child care agency has been advised of all of the children at the premises.

“iv. Financial assistance is provided under this act for the child care.

“v. The child care meets any other criteria prescribed by the regulations.

“Prescribed circumstances

“4. The child care is provided by a person, at a premises, as part of a program or service or in any other circumstance prescribed by the regulations.

“Same, authorized recreational and skill building programs

“(4) If the regulations so provide, subsection (1) does not apply in respect of the provision of child care if the child care is provided as part of a program that meets the following criteria:



"1. The primary purpose of the program is to provide child care.

"2. The program includes, as a complementary purpose, activities that promote recreational, artistic, musical or athletic skills or provide religious, cultural or linguistic instruction.

"3. The program is not operated at a person's home.

"4. The child care is provided only for children who,

"i. are six years old or older, or

"ii. if the child care is provided on or after September 1 in a calendar year, will attain the age of six in that year.

"5. The program meets any other criteria prescribed by the regulations.

"Children of the provider

"(5) For the purposes of counting children at a premises under paragraphs 1 and 2 of subsection (3), a child care provider's own children who are at the premises shall be counted, except as follows:

"1. A child who is six years old or older shall not be counted on any day.

"2. If the child care provider provides care for fewer than two children who are younger than two years old and the child care provider meets the prescribed criteria,

"i. a child who is enrolled in and regularly attends full-day junior kindergarten or full-day kindergarten operated by a school board shall not be counted on any day within the school board's school year, as defined in the Education Act, other than a day or part of a day prescribed by the regulations, and

"ii. a child who is of an age such that he or she would meet the eligibility requirements for enrolment in a full-day junior kindergarten or full-day kindergarten class operated by a school board and who is instead enrolled in and regularly attends a full-day program administered by a First Nation or by the government of Canada for First Nation children shall not be counted on any day within the school year that applies for the purposes of the program, other than a day or part of a day prescribed by the regulations.

"Home child care, number of children

"(6) Regulations made for the purposes of subparagraph 1 i A of subsection (3) shall ensure that the number of children prescribed is more than the number of children for whom child care may be provided under subparagraph 2 i of subsection (3).

"Same, interpretation

"(7) For greater certainty, nothing in this section shall be interpreted as preventing an agreement between a home child care agency and a provider of home child care that provides that the number of children for whom the care is provided shall be less than the number of children that applies for the purposes of subparagraph 1 i of subsection (3).

"Para. 2 of subsection (3), interpretation

"(8) For greater certainty, the number of child care providers at a premises shall not affect the number of children for whom child care may be provided in the circumstances set out in paragraph 2 of subsection (3).

"Exception re unlicensed child care

"(9) If, on the day that the Child Care Modernization Act, 2014 receives royal assent, a child care provider provides child care for children at a premises in the circumstances described in subparagraphs 2 i and ii of subsection (3), then until the date mentioned in subsection (10), subparagraph 2 iii of subsection (3) and subsection (5) do not apply to the person in respect of those children.

"Same

"(10) For the purposes of subsection (9), the date is January 1, 2016 or, if a different date is prescribed by the regulations, the prescribed date."

**The Vice-Chair (M<sup>me</sup> France G  linas):** Any comments? Hearing none, all those in favour of government motion number 23?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare the motion carried.

Shall schedule 1, schedule 6, as amended, be carried?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Dunlop, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare schedule 1, section 6, as amended, carried.

Conscious of time: Schedule 1, sections 7 to 17 have no amendments, so I propose that we vote on schedule 1, sections 7 to 17 as one block.

Shall schedule 1, sections 7 to 17 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare schedule 1, sections 7 to 17 carried.

I'm at schedule 1 still. I'm at section 18, and I call NDP motion number 24: Mr. Tabuns.

**Mr. Peter Tabuns:** I move that subsection 18(1) of schedule 1 to the bill be struck out and the following substituted:

"Duty to report certain matters to director

"(1) If, in the course of providing child care or in the course of employment, it comes to the attention of a child care provider or an employee of a child care provider that

there are reasonable grounds to suspect that there is an imminent threat to the health, safety or welfare of any child for whom child care is provided, the person shall immediately report the suspicion and the information on which it is based to a director.”

Simply put, those who are in a child care centre have a responsibility to keep their eyes open for potential safety risks to children and to report them.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, all those in favour of NDP motion number 24?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 24 lost.

Shall schedule 1, section 18 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Carried.

I'm now at section 19 of schedule 1. PC motion number 25: Mr. Dunlop? No, Mrs. Martow.

**Mrs. Gila Martow:** I move that paragraph 3 of subsection 19(1) of schedule 1 to the bill be struck out.

The rationale is, the purpose of this section is to increase transparency regarding which daycares have good track records and which don't. However, this is an unfair practice as there's no expiry date on these notices. If a daycare is penalized in 2014, their notice will remain online in perpetuity no matter what actions they take to fix the issue at hand.

This also requires that the postings go up once a daycare receives a notice of an offence but not once convicted. If an appeal or investigation finds there actually was no offence, the notice will be rescinded and thus taken off the Internet, but this is after the fact. Essentially, this issue is “guilty until proven innocent,” and it may unnecessarily tarnish the reputation of good daycare providers.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, all those in favour of PC motion number 25?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion number 25 lost.

**1450**

NDP motion number 26: Mr. Tabuns.

**Mr. Peter Tabuns:** I move that subsection 19(1) of schedule 1 to the bill be amended by adding the following paragraphs:

“5. Each inspection report prepared under section 33.

“6. A summary of each refusal to issue or to renew a licence or revocation of a licence under section 23.”

Simply, Chair, parents need to know what's going on in their daycares, their child care centres. The postings should be going up so that parents can see very easily what's going on.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comment to NDP motion number 26? Hearing none, all those in favour of NDP motion number 26?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 26 lost.

NDP motion number 27: Mr. Tabuns.

**Mr. Peter Tabuns:** Withdrawn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Withdrawn?

**Mr. Peter Tabuns:** Yes, with 26 gone.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. PC motion number 28?

**Mrs. Gila Martow:** Withdrawn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Withdrawn? Government motion number 29: Mr. Crack.

**Mr. Grant Crack:** I move that subsections 19(2) to (7) of the Child Care and Early Years Act, 2014, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Same

“(2) The minister may publish the following on a government website:

“1. A summary of each proposal to refuse to issue or renew a licence or to revoke a licence under section 23, unless the refusal or revocation was not carried out.

“2. A summary of each restraining order made under section 38.

“3. Any other information prescribed by the regulations.

“Other publications

“(3) A director may publish anything set out in subsection (1) or (2) in any other manner or medium that the director considers appropriate.

“Content

“(4) A summary required to be published under this section shall include any information prescribed by the regulations.



**“Timing**

“(5) The following rules apply with respect to the timing of the publication of information under subsection (1) or (2):

“1. A summary of a compliance order shall be published within 30 days after the day the order is made.

“2. A summary of a proposal to refuse to issue or renew a licence or to revoke a licence shall not be published before the time for requiring a hearing as provided for under subsection 23(4) expires, or, if a hearing is required, until the matter in issue has been finally determined.

“3. A summary of an administrative penalty shall not be published before,

“i. the time for requiring a review as provided for under subsection 39(7) expires, or

“ii. if a review is required, until the designated senior employee has made a decision.

**“Length of publication**

“(6) The following rules apply for determining how long the information described in subsection (1) shall remain on the website:

“1. A summary described in subsection (1) shall remain on the website for at least 12 months after the day it is published, subject to paragraph 2.

“2. If the order, penalty or conviction to which a summary relates is rescinded or overturned, the summary described in subsection (1) shall be removed from the website promptly.

“3. After the expiry of the 12-month period referred to in paragraph 1, a summary described in subsection (1) may be removed from the website, subject to paragraph 4.

“4. Summaries described in subsection (1) shall not be removed from the website in the prescribed circumstances.

**“Posting of information**

“(7) A director may post a copy of a summary described in subsection (1) or (2) in a conspicuous place at a child care centre, the premises where a home child care agency is located or any other premises where child care is provided if the subject matter of the publication is connected to the centre, agency or other premises.”

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any comments? Hearing none, shall government motion number 29 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion number 29 carried.

Shall schedule 1, section 19, carry as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 19, carried as amended.

I'm now at a new section: section 19.1 of schedule 1 and NDP motion number 30. Mr. Tabuns.

**Mr. Peter Tabuns:** I move that schedule 1 to the bill be amended by adding the following section:

“Prohibition—fees for waiting list placement

“19.1 No person shall charge a fee for the placing of a child's name on a waiting list for the provision of child care.”

I think it's fairly straightforward, Chair. We've heard presentations before this committee that people are having to pay money to have their name on a waiting list. It speaks to the desperation of parents who need decent child care. That activity should be prohibited.

I gather we've only got four minutes left where legislators can comment on anything, and then we're going straight to a vote. It's always a pleasure to see open government at work, Madam Chair.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any further comments? Hearing none, all those in favour of NDP motion number 30?

**Ayes**

Dunlop, Martow, Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 30 lost.

I'm now at section 20 of schedule 1 and PC motion number 31.

**Mrs. Gila Martow:** Just read it?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Please.

**Mrs. Gila Martow:** No rationale?

I move that subsection 20(3) of schedule 1 to the bill be struck out.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any comments?

**Mrs. Gila Martow:** Oh, so we can read the rationale; we just can't comment? Is that it?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Absolutely.

**Mrs. Gila Martow:** Sorry. Essentially this is government regulation saying when and where a daycare can and can't open. This does not need to be in the bill, and daycares will not have clients if they open in areas that do not need the service. This is over-regulation and it's not a pivotal amendment for the party, so debate on this topic should be constrained. “See motion number 31, as both accomplish the same goals,” according to this.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Very good. Any further comments? Seeing none:

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion number 31 lost.

Now, shall section 20 of schedule 1 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 20, carried.

Sections 21 and 22 have no amendment. Can we vote on both of them together?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 21 and section 22 of schedule 1 carried.

Still in schedule 1: We are at section 23 and PC motion number 32. Mrs. Martow.

**Mrs. Gila Martow:** Schedule 1, clause 3(1)(f)? Is that what we're on?

**Mr. Garfield Dunlop:** Clause 23, yes.

**Mrs. Gila Martow:** Yes? Okay. I move that subsection 23(1) of schedule 1 to the bill be amended by adding "or" at the end of clause (e) and by striking out clause (f).

And there is no rationale.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Any comments? Hearing none, all those in favour of PC motion number 32?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion number 32 lost. We have one minute left for PC motion number 33. Mrs. Martow?

**Mrs. Gila Martow:** Section 1, clause 23(2)—

**Mr. Garfield Dunlop:** We withdrew that.

**Mrs. Gila Martow:** Sorry. Withdrawn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** It's withdrawn?

**Mrs. Gila Martow:** Yes.

1500

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Ready to vote on schedule 1, section 23?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 23 of schedule 1 carried. Thank you.

It is my duty to inform you that it is now 3 o'clock. As per the order coming from the House, it says that any division—sorry. I'll read it.

The time now being 3 o'clock, pursuant to the order of the House dated November 5, 2014, I am required to interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendments thereto.

From this point forward, those amendments which have not yet been moved shall be deemed to have been moved.

Any divisions—and we already know that we do—that is, recorded votes—required shall be deferred until all remaining questions have been put and taken in succession, with a 20-minute waiting period allowed, pursuant to standing order 129(a). So you're allowed to ask for one.

I'm going to consult with the Clerk for one minute because, given that I already know that you want all recorded votes—we're supposed to do the recorded votes at the end, but given that they're all going to be at the end, do I just—

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All right. There was a request to have a recorded vote on each and every one of them, so we will go in the order that they present.

I am to inform you that if you wish to take up the opportunity for a 20-minute recess, now is the time or forever—or until 6 o'clock—hold your peace.

**Mr. Garfield Dunlop:** Let's get it done, then.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Let's get it done?

**Mr. Garfield Dunlop:** It's a sham anyway.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Ready?

**Mr. Garfield Dunlop:** Let's get down to one of the receptions. They have lots of wine and stuff.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** And drown our sorrows. All right.

We are still in schedule 1. We are at section 24.



Section 24 has no amendments. So I ask, shall schedule 1, section 24, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 24 of schedule 1 carried.

I am now at schedule 1, section 25. There is a government motion, motion number 34: Subsection 25(6) of schedule 1 to the bill, "Application of subsections 23(10) and (12)."

Shall government motion number 34 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion number 34 carried.

We now move to the vote on section 25 of schedule 1. Should schedule 1, section 25, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 25, carried, as amended.

Schedule 1, section 26, has no amendments.

Shall schedule 1, section 26, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 26, carried.

I'm now at schedule 1, section 27. Motion number 35, which is a PC motion—

**Mr. Garfield Dunlop:** Withdrawn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Withdrawn.

NDP motion number 36: Subsection 27(1) of schedule 1 to the bill (subsection 27(1) of the Child Care and Early Years Act, 2014).

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 36 lost.

NDP motion number 37: Subsection 27(2) of schedule 1 to the bill (subsection 27(2) of the Child Care and Early Years Act, 2014).

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 37 lost.

PC notice of—

**Mrs. Gila Martow:** Withdrawn.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Withdrawn. It's now time to vote on section 27. Shall schedule 1, section 27, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 27, carried.

I'm now at schedule 1, section 28. NDP motion number 39: Subsection 28(1) of schedule 1 to the bill (subsection 28(1) of the Child Care and Early Years Act, 2014).

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 39 carried.

NDP motion number 40: Subsection 28(6) of schedule 1 to the bill (subsection 28(6) of the Child Care and Early Years Act, 2014).

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 40 lost.

It's now time to vote on schedule 1, section 28, as amended. Shall schedule 1, section 28, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 28, carried as amended.

We are now on a new section, section 28.1, and that's NDP motion number 41: Section 28.1 of schedule 1 to the bill (section 28.1 of the Child Care and Early Years Act, 2014).

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 41 lost.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I am recently informed that there was a ruling on NDP motion 41 that reads as follows: This motion is out of order because it contravenes standing order 57, which reads, "Any bill, resolution, motion or address, the passage of which would impose a tax or specifically direct the allocation of public funds, shall not be passed by the House unless recommended by a message from the Lieutenant Governor, and shall be proposed only by a minister of the crown."

1510

For you listening, it means you cannot ask for money. That was the ruling.

**Mr. Peter Tabuns:** But it was voted on and it failed—

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Yes, it ended up in the same place. But, apparently, I was to put this on the record.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All right. We're now at section 29 of schedule 1, and I'm looking at NDP motion 42. It reads as follows: Section 29 of schedule 1 to the bill (section 29 of the Child Care and Early Years Act, 2014).

All in favour of NDP motion 42?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion 42 carried.

That concludes section 29. Shall schedule 1, section 29, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 29 carried, as amended.

I'm still at schedule 1; I'm now at section 30. There are no amendments.

Shall schedule 1, section 30 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 30 of schedule 1 carried.

I'm now at section 31 of schedule 1 and government motion 43. The motion reads: Clause 31(1)(e) of schedule 1 to the bill.

Shall government motion 43 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion 43 carried.

Shall schedule 1, section 31, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 31 carried, as amended.

I'm still at schedule 1. I'm looking at sections 32, 33, 34 and 35. Those have no amendments. Are you ready to vote on them as a group? Okay.

Shall sections 32 to 35 of schedule 1 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.



**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare sections 32 to 35 of schedule 1 carried.

I'm now at section 36 of schedule 1 and government motion 44: Section 36 of schedule 1 to the bill.

All those in favour of government motion 44?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare government motion 44 carried.

Shall schedule 1, section 36 carry, as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare section 36 of schedule 1 carried as amended.

I'm now at section 37 of schedule 1. That's NDP motion number 45: Clause 37(5)(b) of schedule 1 to the bill (clause 37(5)(b) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 45 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare NDP motion number 45 lost.

PC motion number 46: Schedule 1, subsections 37(7) and (8).

Shall PC motion number 46 carry?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare PC motion number 46 lost.

Government motion number 47: Section 37 of schedule 1 to the bill.

Shall government motion number 47 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare government motion number 47 carried.

Shall schedule 1, section 37, carry as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare schedule 1, section 37, carried as amended.

I'm now at section 38. There are no amendments. Shall schedule 1, section 38 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare schedule 1, section 38 carried.

I'm now at section 39 of schedule 1, PC motion number 48.

**Mrs. Gila Martow:** Withdrawn.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Withdrawn.

PC motion number 49: Schedule 1, subsection 39(5).

Shall PC motion number 49 carry?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare PC motion number 49 lost.

PC motion number 50: Schedule 1, clause 39(6)(c).

Shall PC motion number 50 carry?

**Ayes**

Dunlop, Martow, Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I declare PC motion number 50 lost.

PC motion number 51.

**Mr. Garfield Dunlop:** Motions 51 and 52 are both withdrawn.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Withdrawn?

**Mr. Garfield Dunlop:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We're at government motion number 53: Subsection 39(10) of schedule 1 to the bill.

Shall government motion number 53 carry?

### Ayes

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion number 53 carried.

We now have PC motion number 54.

**Mr. Garfield Dunlop:** Madam Chair, 54 to 58, we'd like to withdraw them all.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay.

**Mr. Peter Tabuns:** Fifty-four to 58?

**Mr. Garfield Dunlop:** Fifty-four to 58, yes.

**Interjection:** Withdrawn?

**Mr. Garfield Dunlop:** Withdraw, yes. Then, of course, that would include 59 as well.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** And 59?

**Mr. Garfield Dunlop:** And 60.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** And 60?

**Mr. Garfield Dunlop:** So right to 60, yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Duly noted.

We are now at section 39 of schedule 1. Shall schedule 1, section 39, carry as amended?

### Ayes

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

### Nays

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 39 carried, as amended.

1520

I'm now at section 40. There are no motions to sections 40, 41, 42, 43 or 44. Are you ready to vote on those sections as a group?

**Mr. Peter Tabuns:** Amendment 61 speaks to sections 43 and 44.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** They have withdrawn notice 61.

**Mr. Garfield Dunlop:** It's withdrawn.

**Mr. Peter Tabuns:** Sorry, I missed—I got up to 60. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. So are we comfortable voting on schedule 1, sections 40, 41, 42, 43 and 44 as a group?

**Mr. Vic Dhillon:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** There are no motions to any of those. Shall schedule 21, sections 40 to 44 carry?

### Ayes

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

### Nays

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare sections 40, 41, 42, 43 and 44 of schedule 1 carried.

I'm now at section 45 of schedule 1. That's government motion number 62. Everybody is still with me?

**Mr. Peter Tabuns:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Section 45 of schedule 1 to the bill.

Shall government motion number 62 carry?

### Ayes

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

*Interjection.*

**Mr. Garfield Dunlop:** Sorry, I should have abstained. It's okay. My fault.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You're all good?

**Mr. Garfield Dunlop:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We're all good. I declare government motion number 62 carried.

I'm now calling the vote on schedule 1, section 45, as amended. Shall schedule 1, section 45, as amended, carry?

### Ayes

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

### Nays

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 45 of schedule 1, as amended, carried.

Are we ready to vote on sections 46, 47 and 48 to schedule 1, that have no amendment, as a group?

**Interjection:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All right. Shall schedule 1, sections 46, 47 and 48 carry?

### Ayes

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

### Nays

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare sections 46, 47 and 48 of schedule 1 carried.

I'm now at section 49 of schedule 1. We're looking at NDP motion number 63: Clause 49(1)(e) of schedule 1 to the bill (clause 49(1)(e) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 63 carry?



**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 63 lost.

We're now at NDP motion number 64: Clause 49(1)(f) of schedule 1 to the bill (clause 49(1)(f) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 64 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 64 carried.

We're now looking at section 49 of schedule 1. Shall schedule 1, section 49, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 49 carried, as amended.

I'm now at section 50 of schedule 1, ready to call the vote. Shall schedule 1, section 50 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 50 of schedule 1 carried.

I'm now at section 51 of schedule 1, looking at NDP motion 65: Subsection 51(2) of schedule 1 to the bill (subsection 51(2) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 65 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion 65 lost.

We're now at NDP motion 66: Subsection 53(1) of schedule 1 to the bill (subsection 53(1) of the Child Care and Early Years Act, 2014).

**Mr. Grant Crack:** Madam Chair, point of order.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Point of order, yes.

**Mr. Grant Crack:** Maybe I missed something. After the previous NDP motion was defeated, should we not be carrying schedule 1, section 51, without amendment?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We are still in section—

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** There was a little mishap that happened on my sheet. Very good of you to catch this.

So forget about NDP motion 66—

**Mr. Peter Tabuns:** For the moment.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** —for the moment. It will come back.

For now, we are dealing with section 51 of schedule 1. Shall schedule 1, section 51, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 51, carried.

I see no motions for section 52. Shall schedule 1, section 52, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 52, carried.

Now I'm at section 53, and I'm looking at NDP motion 66. Sorry for the confusion. Is everybody good? Okay. Subsection 53(1) of schedule 1 to the bill (subsection 53(1) of the Child Care and Early Years Act, 2014).

Shall NDP motion 66 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion 66 lost.

I'm now looking at NDP motion 67: Clause 53(1)(e) of schedule 1 to the bill (clause 53(1)(e) of the Child Care and Early Years Act, 2014).

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion 67 carried.

It is now time to vote on section 53. Shall schedule 1, section 53, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 53, carried as amended.

1530

I'm now looking at section 54—I'm still in schedule 1—NDP motion 68. Everybody still with me? All right.

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** NDP motion number 68, Subsection 54(1) of schedule 1 to the bill (subsection 54(1) of the Child Care and Early Years Act, 2014): I have the duty to inform you that this motion is out of order because it contravenes standing order 57, which reads—should I still read standing order 57, or do you all know what it is about?

**Mr. Peter Tabuns:** It's a money bill.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** It's a money bill.

**Mr. Peter Tabuns:** And you'd be well advised to pass this.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You would be wise, but unfortunately, I declared it out of order.

We're moving right along to NDP motion number 69: Subsection 54(2) of schedule 1 to the bill (subsection 54(2) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 69 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 69 lost.

I'm now at NDP motion number 70: Subsection 54(2.1) of schedule 1 to the bill (subsection 54(2.1) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 70 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 70 lost.

Shall schedule 1, section 54 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 54 carried.

I'm now at section 55 of schedule 1. We have government motion number 71: Subsection 55(4) of schedule 1 to the bill.

Shall government motion number 71 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion number 71 carried.

Shall section 55 of schedule 1 carry, as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 55 of schedule 1 carried, as amended.

I'm now at section 56, still in schedule 1. I'm looking at NDP motion number 72: Clause 56(d) of schedule 1 to the bill (clause 56(d) of the Child Care and Early Years Act, 2014).

Should NDP motion number 72 carry?

**Ayes**

Tabuns.



**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 72 lost.

I'm now at NDP motion number 73: Clause 56(d) of schedule 1 to the bill (clause 56(d) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 73 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 73 lost.

NDP motion number 74: Clause 57(e) of schedule 1 to the bill (clause 57(e) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 74 carry?

**Ayes**

Albanese, Crack, Dunlop, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All those opposed?

**Mr. Grant Crack:** Which one are we at?

**Mr. Peter Tabuns:** Motion 74.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We're at NDP motion number 74.

**Mr. Grant Crack:** Oh. I think we missed—

**Mr. Granville Anderson:** We missed one, yes.

**Mrs. Laura Albanese:** Yes. We missed the motion to carry without amendments.

**Mr. Grant Crack:** Schedule 56.

**Mr. Granville Anderson:** Is it 56?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Oh, yes. How come that happened again?

**Mr. Peter Tabuns:** If that's not what was called, what was called?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** What was called was NDP motion number 57. You're absolutely right.

I'll finish the vote: All those opposed?

**Mr. Peter Tabuns:** Yes, those who didn't previously vote in favour can vote "opposed."

**Mr. Grant Crack:** Point of order, Madam Chair.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Point of order.

**Mr. Grant Crack:** Could you please explain where we're at?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We are at NDP motion number 57, although I forgot to call for the vote on 56.

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Now we have created false hope, my friend.

**Mr. Garfield Dunlop:** What's 57 again? I'm sorry, you mentioned 57?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Yes, I did, because on my lovely little sheet here, it had been put under section 56.

**Mr. Garfield Dunlop:** Oh, okay, that's what you meant, not motion 74. I'm sorry.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** No. It is motion 74.

**Mr. Garfield Dunlop:** All right. Thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** So opposed to NDP motion 74? I think some of you voted twice.

**Mr. Peter Tabuns:** Yes, some people voted twice. I think there needs to be clarity on that.

**Mr. Grant Crack:** Point of order, Madam Chair: I have a question.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Give me one second with the Clerk, then a point of order.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Point of order, Mr. Clark.

**Mr. Grant Crack:** Crack, thank you.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Crack. I always want to do that.

**Mr. Grant Crack:** I have hair, thank you.

*Laughter.*

**Mr. Grant Crack:** Mr. Clark doesn't have hair.

What is the process if we've missed schedule 1, section 56? Do we not have to do it section by section? Is that not the proper protocol?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** The proper approach would have been for me, after NDP motion 73, to call the vote on schedule 1, section 56. That would have been the proper way of doing things. Unfortunately, I did not. I called NDP motion number 74, then called the vote on 74.

I will ask if the members, when you voted in favour, knew what they were voting for. Did you know that you were voting on NDP motion 74?

**Mr. Grant Crack:** Madam Chair, I can only speak for myself, but I was voting on schedule 1, section 56, to carry without amendments. That's what I was voting on, so I apologize. Maybe the other members can speak for themselves.

**Mr. Vic Dhillon:** Well, the same.

**Mrs. Amrit Mangat:** The same.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. The three Liberal members who voted in favour did not know what they were voting on. Given this, I will take you at your word.

Mr. Tabuns, you had a point of order?

**Mr. Peter Tabuns:** Well, I do. If you interrogated every legislator on what their state of mind was when they voted on something, very few votes would actually get through. There may be a wide variety of vote-changing.

Madam Chair, you were pretty clear. You called the vote on motion 74. I voted, these two members voted and two of those members voted. You were recording the votes. People do have to follow the bouncing ball. In this case, they voted in favour. Since they voted that way, then in fact, we're in the middle of a vote. I'd urge you to complete the vote.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I have completed the vote. When I asked for who was opposed, I got people voting twice, which led me to believe, "Did you know what you were voting for?" They clarified that they thought they were voting on schedule 1, section 56, to carry.

1540

You are honourable members. I take it that if you tell me that you did not follow the ball, but thought you were voting on schedule 1, section 56, that I will finish the vote on—everybody listen good—NDP motion number 74.

We're voting on NDP motion number 74. We will take the vote over.

Who is in favour of NDP motion number 74? I'm out of order, but I'm finishing the vote. NDP motion 74: Who is in favour? Opposed to NDP motion number 74?

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Oh, yes, read out the names.

**Ayes**

Dunlop, Martow, Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All right.

We are now coming back to where we should have been, which is schedule 1, section 56.

Shall schedule 1, section 56, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I now declare section 56 of schedule 1 carried.

We're at section 57 of schedule 1, which had one amendment, NDP motion number 74, which we voted for in advance. It's just so that everybody stays awake in this very boring process. I like to mix it up a bit.

We now have already voted on NDP motion 74 that had to do with section 57.

Ready to vote.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Just to remind everybody, NDP motion 74 was lost. We're now voting.

Shall schedule 1, section 57, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 57, carried.

I am now at section 58, looking at NDP motion number 75. Is everybody still there?

Subsection 58(1) of schedule 1 to the bill (subsection 58(1) of the Child Care and Early Years Act, 2014): Shall NDP motion number 75 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 75 lost.

I'm now at NDP motion number 76: Subsection 58(3) of schedule 1 to the bill (subsection 58(3) of the Child Care and Early Years Act, 2014).

Shall NDP motion number 76 carry?

**Ayes**

Dunlop, Martow, Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 76 lost.

We're now voting on schedule 1, section 58. Shall schedule 1, section 58, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 58, carried.

Given that there are no amendments to sections 59, 60 and 61, I ask that we deal with them as a group. All good?

*Interjection.*



**Mrs. Gila Martow:** Is ours the only one on 62? Because we're withdrawing it.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You're withdrawing?

**Mrs. Gila Martow:** We're withdrawing 77, and that's 62, so we can add it to the vote.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Is everybody comfortable to vote on schedule 1, sections 59, 60, 61 and 62?

All those in favour?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare sections 59, 60, 61 and 62 of schedule 1 carried.

I'm now at section 63. We have government motion 78: Section 63 of schedule 1 to the bill.

Shall government motion 78 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion 78 carried.

Shall schedule 1, section 63 carry, as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 63 of schedule 1 carried, as amended.

I'm now at section 64 and I'm looking at NDP motion 79: Subsection 64(2) of schedule 1 to the bill (subsection 64(2) of the Child Care and Early Years Act, 2014).

Shall NDP motion 79 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion 79 lost.

Shall schedule 1, section 64 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 64 carried.

I'm now looking at sections 65, 66, 67 and 68. Given that there are no amendments to those four sections, is it the pleasure of the committee that we deal with all four of them together?

Shall schedule 1, sections 65, 66, 67 and 68 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare sections 65, 66, 67 and 68 of schedule 1 carried.

I'm now looking at a new section, 68.1, with government motion 80. Government motion 80 creates: Section 68.1 of schedule 1 to the bill.

Shall government motion 80 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion 80 carried.

I'm now looking at section 69—

**Mr. Vic Dhillon:** Sixty-eight.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We voted on 68 already and it carried.

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We just voted on 68.1.

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** No, it's a new section. We don't vote on a section that is new; we only vote on sections that were in the original bill, I'm told. All good? We did the same thing before.

Schedule 1: sections 69, 70, 71, 72, 73, 74, 75 and 76 have no motions. Is the group willing to deal with them as a group?

Shall schedule 1, section 69 all the way to section 76 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare sections 69 to 75 of schedule 1 carried.

1550

**Interjection:** Seventy-six.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I always do that, don't I? Sixty-nine to 76 are carried.

We're now looking at section 77, and I'm looking at government motion number 81. Everybody's good?

Section 77 of schedule 1 to the bill: Shall government motion number 81 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**M<sup>me</sup> France Gélinas:** I declare government motion number 81 carried.

We're now voting on schedule 1, section 77. Shall schedule 1, section 77 carry, as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 77, schedule 1 carried, as amended.

We're now looking at section 78. There are no amendments. Shall schedule 1, section 78 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 78 carried.

I'm now looking at schedule 1. We're at section 79 and we're looking at NDP motion number 82. All good?

Section 79 of schedule 1 to the bill (section 79 of the Child Care and Early Years Act, 2014). Shall NDP motion number 82 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 82 lost.

Shall schedule 1, section 79 of the bill carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 79 of the bill carried.

I'm now looking at section 80, which has no amendments. Shall schedule 1, section 80 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 80 carried.

I'm now looking at section 81 and PC motion number 83. Schedule 1, subclause 81(1)(e)(iii): Shall PC motion number 83 carry?

**Ayes**

Dunlop, Martow.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare PC motion number 83 lost.

I'm now looking at NDP motion number 84: clause 81(1)(e) of schedule—

**Mr. Peter Tabuns:** Withdraw.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Pardon me?

**Mr. Peter Tabuns:** Withdraw. It's redundant because of earlier losses.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay.

I'm now looking at government motion number 85: Subsection 81(1) of schedule 1 to the bill. Shall government motion number 85 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion number 85 carried.

I'm looking at NDP motion number 86. Subsections 81(2.1) and (2.2) of schedule 1 to the bill (subsections 81(2.1) and (2.2) of the Child Care and Early Years Act, 2014). Shall NDP motion number 86 carry?

**Ayes**

Dunlop, Martow, Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon.



**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the motion lost.

I'm now looking at schedule 1, section 81. Shall schedule 1, section 81 carry, as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Dunlop, Martow, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 81 carried, as amended.

I am now looking at a new section, 81.1, with a motion from the NDP: Section 81.1 of schedule 1 to the bill (section 81.1 of the Child Care and Early Years Act, 2014). Shall NDP motion number 87 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Mangat.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 87 lost.

I am now looking at schedule 1, sections 82, 83, 84, 85, 86, 87 and 88, which don't have any motions. Is it the will of the committee that sections 82 to 88 be voted on as a group? Okay. Shall schedule 1, sections 82 to 88 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, sections 82 to 88 carried.

Still in schedule 1, I am looking at section 89, government motion 88. Everybody still with me? Section 89 of schedule 1 to the bill. Shall government motion 88 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion 88 carried.

I am now looking at section 89. Shall schedule 1, section 89, carry as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 89 of schedule 1 carried as amended.

I am now looking at section 90; section 90 has no amendments. Shall schedule 1, section 90, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1, section 90, carried.

Shall schedule 1, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 1 carried as amended.

I am now looking at schedule 2, sections 1 and 2. There are no motions for schedule 2, section 1 or 2. Is it the will of the group that we deal with them together? Very good. Shall schedule 2, sections 1 and 2 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 2, sections 1 and 2, carried.

Shall schedule 2 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 2 carried.

I am now looking at schedule 3. Schedule 3, sections 1 and 2, have no amendments. Is it the will of the group that we deal with them together? Okay. Shall schedule 3, sections 1 and 2, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 3, sections 1 and 2, carried.

I am now looking at schedule 3, section 3. We're looking at government motion number 89: Subsection 3(6) of schedule 3 to the bill.

1600

Shall government motion number 89 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare government motion 89 carried.

Shall schedule 3, section 3, carry as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 3 of schedule 3 carried as amended.

We're now looking at schedule 3 from section 4 all the way to section 12. I see no motion.

**Mr. Granville Anderson:** To 35.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** You are right: To 35. Is it the will of the group that we deal with them as a group?

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All right. Shall schedule 3, sections 4 all the way to 35, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 3, section 4, to and including 35, carried.

Shall schedule 3, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 3 carried as amended.

I'm now looking at schedule 4. Schedule 4 has no motion for sections 1 and 2. Is it the will of the group that we vote on them together?

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Shall schedule 4, sections 1 and 2 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 4, sections 1 and 2 carried.

Don't worry, Garfield. I'm just as confused as you are.

**Mr. Garfield Dunlop:** It would have been better in Timmins.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** It would have been.

All right, I'm looking at schedule 4, section 3. I'm looking at NDP motion 90. Section 3 of schedule 4 to the bill (subsection 171(1) of the Education Act): Shall NDP motion number 90 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion 90 carried.

Shall schedule 4, section 3 carry as amended?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 3 of schedule 4 carried as amended.

I'm now looking at schedule 4, section 4. Shall schedule 4, section 4 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare section 4 of schedule 4 carried.

I'm now looking at section 5 of schedule 4, with NDP motion 91: Subsection 5(2) of schedule 4 to the bill (subsection 259.1(1) of the Education Act). Shall NDP motion 91 carry?

**Ayes**

Tabuns.

**Nays**

Albanese, Anderson, Crack, Dhillon, Dunlop, Mangat, Martow.



**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion 91 lost.

I'm now looking at schedule 4, section 5. Shall schedule 4, section 5 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 4, section 5, carried

I am now looking at schedule 4. Sections 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 have no amendments.

Is it the will of the group that we vote on them as a group?

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** It's not on my little sheet there, but I see it.

We would vote on schedule 4, sections 7, 8, 9 and 10.

Is it the will of the group that we deal with them as a group?

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** And 11? Yes, and 11.

Everybody is clear? We're voting on schedule 4, sections 7 to 11, including 11.

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Sections 6 to 11. God, I'll get this right: schedule 4, sections 6 to 11.

Thank you, everybody, for your understanding.

Are you ready to vote?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 4, sections 6 to 11, carried.

We are now dealing with section 11.1, which is NDP motion number 92.

**Mr. Peter Tabuns:** And a very good motion.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** And a very good motion, I'm told: Section 11.1 of schedule 4 to the bill (section 260.5.3 of the Education Act).

The Clerk has given me this little note to read. It reads as follows: "This motion is out of order because it contravenes standing order 57, which reads"—do you dispense me from reading, or would you like to hear it?

**Mr. Grant Crack:** Dispense.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I will give you a Coles Notes: It deals with money. Therefore, it has been ruled out of order. Everybody's good with that?

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare NDP motion number 92 out of order.

We are now at schedule 4. Sections 12, 13, 14 and 15 have no amendments. Is it the wish of the group that we deal with them together?

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Okay. Shall schedule 4, sections 12, 13, 14 and 15, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 4, sections 12, 13, 14 and 15 carried.

Shall schedule 4, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I am now looking at schedule 5—

*Interjections.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare it carried. I declare schedule 4 carried, as amended.

Everybody ready to move on to schedule 5?

Schedule 5 has two sections, section 1 and section 2. Neither one of them has motions. Are you ready to deal with both of them together? Yes?

Shall schedule 5, sections 1 and 2, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 5, sections 1 and 2, carried.

We are now voting on schedule 5. Shall schedule 5 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 5 carried.

1610

I'm now looking at schedule 6. Sections 1 to 10 have no motions. Is it the will of the group that we deal with them together?

**Interjections:** Yes.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All right. Shall schedule 6, sections 1 to and including 10, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 6, sections 1 to and including 10, carried.

I'm now looking at schedule 6. Shall schedule 6 carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare schedule 6 carried.

I'm now looking at the preamble. There is PC motion number 93—I'm told to slow down, and I'm getting a little note. That's never good.

All right, PC motion number 23, which deals with the preamble.

**Mr. Peter Tabuns:** Ninety-three.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Ninety-three, which deals with the preamble: This motion is out of order because it seeks to amend the preamble to the bill. A substantive amendment to the preamble is admissible only if it is rendered necessary by amendment made to the bill.

**Mr. Garfield Dunlop:** Point of order.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Point of order, Mr. Dunlop.

**Mr. Garfield Dunlop:** There is precedent to revise the preamble if the wording does not have a direct impact or reference to the bill and what the bill does. In our opinion, a bill on Ontario daycares should not discuss federal funding levels, as they are not mentioned anywhere in the bill, or discuss full-day kindergarten, as daycare and kindergarten are separate programs that are only linked once to show the age of a child. Both the federal government and full-day kindergarten are extraneous information. It's here for political gain, not because it has to deal with the actual bill.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I will quickly consult with the Clerk and get back to you in one second.

On advisement from the Clerk, I'm told that the changes that were made were not substantive enough to

become admissible for changes to the preamble. Thank you for your point of order.

I'm now calling the vote. Shall the preamble to the bill carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the preamble of the bill carried.

We're now dealing with the title. Shall the title of the bill carry?

**Mr. Vic Dhillon:** Chair?

**The Vice-Chair (M<sup>me</sup> France Gélinas):** Point of order, Mr. Dhillon.

**Mr. Vic Dhillon:** Were we not supposed to consider sections 1, 2 and 3 as a—

*Interjection.*

**The Vice-Chair (M<sup>me</sup> France Gélinas):** We've dealt with the preamble already.

**Mr. Vic Dhillon:** We dealt with it. Okay, that's fine.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** PC motion number 93 was ruled out of order.

**Mr. Vic Dhillon:** Yes, that's fine.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** All good? Okay.

I have called the question: Shall the title of the bill carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare the title of the bill carried.

Shall Bill 10, as amended, carry?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.

**The Vice-Chair (M<sup>me</sup> France Gélinas):** I declare Bill 10 carried.

Shall I report the bill, as amended, to the House?

**Ayes**

Albanese, Anderson, Crack, Dhillon, Mangat, Tabuns.

**Nays**

Dunlop, Martow.



**The Vice-Chair (M<sup>me</sup> France G  linas):** I shall report the bill, as amended, to the House.

I will end by thanking all of you for your indulgence with a few numbers that didn't spit out properly, but it's done. I don't think I have any more closing remarks, so unless there are any closing remarks from any of the members—

**Mr. Peter Tabuns:** Thank you, Chair.

**The Vice-Chair (M<sup>me</sup> France G  linas):** You're very welcome.

Mr. Clark on a point of order.

**Mr. Grant Crack:** Mr. Crack.

**The Vice-Chair (M<sup>me</sup> France G  linas):** Crack. Well, I end the way I started.

**Mr. Grant Crack:** I think you did a wonderful job, Madam Chair. I just wanted to congratulate you on that and moving the business ahead very quickly. I'd also like to congratulate the Clerk for all the recorded votes and the great job she did at calling the names.

**The Vice-Chair (M<sup>me</sup> France G  linas):** I always call him "Grant." This is what the problem is.

**Mr. Grant Crack:** That's fine.

**The Vice-Chair (M<sup>me</sup> France G  linas):** By his first name, I have no problem. Last name? Not so good.

Any other comments? Seeing none—oh, I get to play this again: We're done.

*The committee adjourned at 1616.*





## CONTENTS

Monday 24 November 2014

Child Care Modernization Act, 2014, Bill 10, Mrs. Sandals / Loi de 2014 sur la  
modernisation des services de garde d'enfants, projet de loi 10, Mme Sandals ..... SP-95

### STANDING COMMITTEE ON SOCIAL POLICY

#### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Substitutions / Membres remplaçants**

Mrs. Laura Albanese (York South–Weston / York-Sud–Weston L)

Mr. Grant Crack (Glengarry–Prescott–Russell L)

Mr. Garfield Dunlop (Simcoe North / Simcoe-Nord PC)

Ms. Harinder Malhi (Brampton–Springdale L)

Ms. Eleanor McMahon (Burlington L)

#### **Clerk / Greffière**

Ms. Valerie Quioc Lim

#### **Staff / Personnel**

Ms. Catherine Oh, legislative counsel

CAZON  
XC14  
-578

SP-5



SP-5

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 1 December 2014

# Journal des débats (Hansard)

Lundi 1<sup>er</sup> décembre 2014

## Standing Committee on Social Policy

Safeguarding Health Care  
Integrity Act, 2014

## Comité permanent de la politique sociale

Loi de 2014 de sauvegarde  
de l'intégrité des soins de santé



Chair: Peter Tabuns  
Clerk: Valerie Quioc Lim

Président : Peter Tabuns  
Greffière : Valerie Quioc Lim



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Monday 1 December 2014

Lundi 1<sup>er</sup> décembre 2014*The committee met at 1401 in committee room 1.*SAFEGUARDING HEALTH CARE  
INTEGRITY ACT, 2014LOI DE 2014 DE SAUVEGARDE  
DE L'INTÉGRITÉ DES SOINS DE SANTÉ

Consideration of the following bill:

Bill 21, An Act to safeguard health care integrity by enacting the Voluntary Blood Donations Act, 2014 and by amending certain statutes with respect to the regulation of pharmacies and other matters concerning regulated health professions / Projet de loi 21, Loi visant à sauvegarder l'intégrité des soins de santé par l'édiction de la Loi de 2014 sur le don de sang volontaire et la modification de certaines lois en ce qui concerne la réglementation des pharmacies et d'autres questions relatives aux professions de la santé réglementées.

**The Chair (Mr. Peter Tabuns):** Good afternoon. The Standing Committee on Social Policy will now come to order. We are here for public hearings on Bill 21, An Act to safeguard health care integrity by enacting the Voluntary Blood Donations Act, 2014 and by amending certain statutes with respect to the regulation of pharmacies and other matters concerning regulated health professions.

Please note, members of the committee, that written submissions received on this bill are on your desks.

For those who are presenting, each presenter will have up to five minutes for their presentation and up to nine minutes for questions from committee members, which will be divided equally among the three recognized parties. Presenters, when you have one minute left for your presentation, I will state that and remind you that your time is running out.

I will propose that we start the rotation with the official opposition for the first presenter, then to the third party, then to the government. I gather you're all right with that? Great.

MS. KAT LANTEIGNE

**The Chair (Mr. Peter Tabuns):** Our first presenter is Kat Lanteigne. If you would introduce yourself for Hansard.

**Ms. Kat Lanteigne:** Hi. I'm Kat Lanteigne. It's an honour to present today, and especially profound since it

is World AIDS Day. My uncle died of AIDS in 2001, and an extended family member was deeply impacted because of tainted blood.

Over the past few years, I have been able to meet hundreds of tainted-blood survivors and their family members across Canada. They shared their painful stories of how our country turned its back on them when they desperately needed it to stand up for them.

I have spent the better part of my life trying to understand why and how AIDS and the tainted blood crisis were allowed to happen. I can unequivocally assure you that the tainted blood crisis was allowed to happen and that it did not happen because of bad science. Hubris, profit motives, homophobia and denial replaced competent health care strategy. Your predecessors lacked the understanding that to be an effective leader, one must have a deep sense of humanity and justice. While lives were being stolen and the trust in our blood system was broken, Canadian families were fighting to make sure the truth was told, through impossible obstacles. But they did it. We are indebted to these brave Canadians. All that they fought for cannot be abandoned because the pharmaceutical industry wants to commodify our blood.

Bill 21 is not a simplistic answer to "paid or unpaid donors." It is enshrining in our law the main principles of how to manage our public blood system. Every piece of legislation has a story, and Bill 21 will carry with it the lessons we have learned from our shared tragic past of the worst preventable health care crisis our country has endured.

I was encouraged when you unanimously voted Bill 21 to committee, and I am hopeful that the propagandized scripts provided to you by the pharmaceutical industry have not swayed you as we move forward. We are our own people, we have our own unique history, and we do not have to employ private health care models in our country that we know do not work: 30,000 people were infected with HIV and hepatitis C; we spent \$17 million on an exhaustive federal inquiry; \$5 billion has been paid in compensation; thousands have died. Claiming ignorance on the validity of Justice Krever's findings or whether they apply today is an inexcusable argument for not understanding our own Canadian story.

Our domestic blood system cannot sustain any competition regardless of what private companies want to use it for, whether it is research or for export to make medications. It is the sole responsibility of Canadian Blood Services to collect blood and plasma in our country.



Exploiting the vulnerable is not a shared Canadian value and we must make great efforts to stop commodifying human tissue.

I commend the provincial government for bringing in this legislation but more questions need to be asked. Why did Health Canada and Canadian Blood Services allow these private clinics to get so far in their planning process without the public knowing?

It is my understanding that EXApharma is now attempting to set up shop in our western provinces.

**The Chair (Mr. Peter Tabuns):** One minute left.

**Ms. Kat Lanteigne:** Clearly they underestimate Canadians. I can guarantee they will be met with similar opposition. There are legions of us who have not forgotten and we will be an unstoppable force.

To tell us “never again” is an empty promise unless you actually take measures to make it so. Your vote on the Voluntary Blood Donations Act will be the ultimate statement on the tainted blood crisis. You have the chance to do what your predecessors chose not to do. You get to stand up and say “No way, never again, not on our watch.”

Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Lanteigne. To the official opposition, Mr. Walker.

**Ms. Kat Lanteigne:** Can I have a tissue? Does anybody have a tissue? Thank you. Sorry to interrupt for a moment. Thank you.

**The Chair (Mr. Peter Tabuns):** Fair enough.

**Mr. Bill Walker:** Thank you very much, Ms. Lanteigne. Just a couple of questions, if I can. One that I have is, in the Krever inquiry, it said that Canada should be self-sufficient in blood. When we spoke in the House last week, one of the questions I asked was kind of that balanced question in regard to are we able, are we truly capable of—and one of the reasons I asked that is it seems they’re using blood protein more and more for things like Alzheimer’s and dementia, which I believe is a huge cohort that’s coming through our system. Are we going to be able to have the supplies we need? Can you give me unequivocal evidence that suggests that that is able to be done through a voluntary system?

**Ms. Kat Lanteigne:** Well, Bill, I’ve watched you in the House, and it’s been fascinating, because you have been one of the people who has supported and been reading the script provided to you by the pharmaceutical industry. I’ve paid very close attention to that.

I would give you an example of what’s happened within the hemophilia community. Hemophiliacs, most of them, took the plasma-based medication. Today, after almost all of their clients have been killed, 90% of hemophiliacs now take a synthetic product. Those advancements in science have helped ensure that they’re not exposed to blood-borne viruses that can show up in that kind of medication.

In your information package, you will see that all plasma-based medication has warnings on it. Although we have better testing today, it is not perfect. Science isn’t perfect. We don’t know what the next blood-borne

pathogen will be. There are also many opportunities to move forward.

**Mr. Bill Walker:** I would like to comment back. I take a little bit of offence that you tell me that I’m reading from a script from the pharmaceutical industry. I’m not certain how you know where I got my information or what I’ve read. I ask this because I truly do believe there needs to be a balanced approach to this. If you did listen to me in the House, one of the things I said is if it’s my son or my wife or a family member or a friend lying in a hospital needing a blood transfusion or they need research capabilities to be able to stop some of these horrific resources, then we need a blood supply that absolutely is there.

You did not answer my question. Can you unequivocally prove to me that there will be a supply available when it’s needed? That’s what I think we need to look at.

A friend of mine—on the weekend, I had a good chat with her. She travelled through Europe in the early 1980s and she actually participated in giving her blood for compensation—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. Bill Walker:** —and she saw absolutely no concern with doing that. Again, with the same mindset, if I’m helping someone and it’s for pay—do people really care whether it’s paid or unpaid as long as the blood is there when they need it?

**Ms. Kat Lanteigne:** Well, I would have to say to you that I’m very fortunate to have a lot of shared advocacy in our country and in the province of Ontario.

1410

I have seen a letter that you have written back to co-infected hemophiliac Andrew Cumming stating that you would absolutely back this bill unequivocally—

**The Chair (Mr. Peter Tabuns):** I’m sorry to say you’ve used your time. We’ll go to Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Thank you, Ms. Lanteigne, and I thank you for coming to Queen’s Park. I have seen your play, a reading of your play, and it is very powerful. I would certainly encourage everybody to take the time to go and listen and see when it’s next on. It’s a worthwhile experience.

So let’s say we started to allow this in Ontario. Let’s say we allow companies to pay people for plasma. What kind of damage do you see happening?

**Ms. Kat Lanteigne:** Well, one of the things that has been promoted to people, a line of argument for private plasma companies, is that it’s not a problem in other countries, which is not true. It is a problem in Germany. The head of transfusion medicine has stated on multiple occasions that it is impacting their whole blood donorship. They can’t win donors back because they are being cultured to be paid for their blood, for that plasma, regardless of what it is being used for. So when you create a competitive model like that, you commodify a public resource, and you lose control over how and where and what is happening with it. That’s one of the major issues.

It happened here in Canada. We can't sustain it. If you read the Krever inquiry in total and the subsequent documentation that comes with it, it is very clear that that model here is absolutely not sustainable. We cannot do it. It doesn't work in Canada. It was a failure the first time. That is one of the large pieces that we really need to understand.

**M<sup>me</sup> France Gélinas:** What do you make of the service that already exists in northern Alberta where they do pay people for donations?

**Ms. Kat Lanteigne:** That's a facility called Cangene in Winnipeg. It was acknowledged by Justice Horace Krever as a rare circumstance. They collect types of rare blood. It's not what we're talking about here. We can't be collecting plasma en masse.

**M<sup>me</sup> France Gélinas:** Sorry; I said "Alberta." I meant to say—

**Ms. Kat Lanteigne:** That's okay.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**M<sup>me</sup> France Gélinas:** —but you know what I was talking about. Any other words of wisdom that you have to share with us as to the danger of going down this path?

**Ms. Kat Lanteigne:** Well, I think one of the most important things to understand is that this is not the first time that companies have tried to come in and set up shop. I have all these articles here that I can post for you or that you can look around and see. This is in 1994, right at the beginning of Krever. The title is *Bad Blood: Why is a Proposed Red Cross Plasma Clinic so Controversial*—

**The Chair (Mr. Peter Tabuns):** Your time is up, I'm afraid, with this questioner. We'll go to the government. Mrs. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much for your very emotional presentation. I understand that's straight from the heart. As you know, we as a government have a number one priority, and that's making sure that, in the health care sector, our blood system is safe. We've learned important lessons from the heartbreaking consequences that happened in the 1980s, such as your uncle who died of AIDS.

I could have had a very similar story. I had a stepson who was in hospital for four years and had blood transfusions, and in the mid-to-late 1980s we got a letter suggesting that he too could have a disease that was passed by tainted blood. So not only as a care provider, as a nurse—because I've given lots of those—but also as a parent, I felt that fear. We were very fortunate: We had our son tested, and he fortunately did not pick up one of those things. So this is very important to myself as well.

Based on the recommendations from the Krever commission—it investigated how we can stop that tragedy happening again—and that our blood supply is based on the voluntary supply order, I'm very happy to see this bill because I think it would strengthen the government's enforcement power in the case of violations.

I know that, back in March 2013, Minister Matthews wrote to the federal Minister of Health because she had those serious concerns about preserving the integrity of

our national blood system. In May 2013, we informed the CPR that they needed a licence to operate. We expected them to apply. We sent in inspectors this past March to recognize that they hadn't applied and were already operating. We're moving ahead, as you know, to ensure that this legislation keeps our blood supply voluntary.

I know you've thought an awful lot about this, and my first question to you is, can you explain why you think it's so important to have a single operator perform the core functions of the national blood supply system?

**Ms. Kat Lanteigne:** One of the biggest reasons for that—there are a few—is because it was Justice Horace Krever's main recommendation, that we have a single operator. It is their responsibility to do so. It's a fundamental principle within Canadian Blood Services, for our donors, to protect the donor. When you are exploiting people and commodifying their blood, that is not protecting the donor. There is a huge history—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Kat Lanteigne:** —and that is very clear throughout Krever. We can't provide a competitive model in our country. It is the responsibility—the sole responsibility, outside of Quebec—for Canadian Blood Services to collect blood and plasma in our country, regardless of what it is used for. That is what our tax dollars are for.

**Mrs. Kathryn McGarry:** Are you worried about the supply, that we wouldn't have enough if we weren't able to—

**The Chair (Mr. Peter Tabuns):** Ms. McGarry, Ms. Lanteigne, I'm sorry, you've used up your time.

Thank you very much for your presentation.

**Ms. Kat Lanteigne:** Thank you.

## PLASMA PROTEIN THERAPEUTICS ASSOCIATION

**The Chair (Mr. Peter Tabuns):** Our next presenter, then, is Plasma Protein Therapeutics Association: Mr. Penrod. If you would introduce yourself for Hansard, and I think you know the drill.

**Mr. Joshua Penrod:** Hopefully. I can be a slow learner from time to time.

My name is Joshua Penrod. Good afternoon, everyone. I am vice-president of the Plasma Protein Therapeutics Association.

PPTA is a global trade association consisting of the collectors of source plasma, and the manufacturers of plasma protein therapeutics made from source plasma. These therapeutics treat a variety of rare, serious, often chronic and genetic diseases such as primary immune deficiency, genetic emphysema and bleeding disorders. In addition, PPTA members have operations all over the world, including Canada. Thank you for inviting our participation in this important proceeding today.

Canada, as a nation, is a world leader in the treatment of rare disease through diagnosis and effective intervention for patients in need of plasma protein therapies.

My brief comments today will give you the global industry's overview on Bill 21. Our concerns are quite



basic and involve the proposed ban on compensated donation.

First, I have to say at the beginning that what we do—collecting plasma for manufacturing—is far different from what CBS or other blood collection systems do. They collect products for transfusion; our companies do not. It is as simple as that, so the concern about paying for blood isn't really accurate, because that's not what we do.

Last year, however, we did collect more than 30 million source plasma donations in the United States and Europe, which is the vast majority of the world supply. This plasma was further manufactured into millions of units of life-saving therapies for people with rare diseases.

When you donate source plasma for further manufacture, you go through a thorough screening and testing process. In addition, the actual process of donation can take more than an hour, because you are connected to an automated machine that removes your plasma and returns your red blood cells and other components back to you. It takes a long time, a lot longer than what you would normally see for a blood donation.

Our industry and the patients rely on higher volumes and a greater number of donations. To make enough product for one patient for one year requires hundreds of donations, sometimes over a thousand.

Compensation acts as a way of saluting the commitment that people have to donate, and to respect the time it takes to donate plasma. Our industry has many safety standards in place as well, which means that, unlike transfusion components, plasma from one-time donors is never used until that donor comes back again to donate and, hopefully, will continue to donate for a long time. This makes sure that the donor is committed to making plasma donation a part of their life.

A complete ban on compensated donation makes little sense when considering the need for plasma and the system that's used to collect it. Non-compensated models work well for transfusion components; we don't think there's any question about that. However, non-compensated models for source plasma collection simply do not work at all. Experience around that world has shown that, time and again, and the top four collecting countries possess both compensated and non-compensated systems.

As a result, we would recommend a couple of proposed solutions to this:

(1) Our first solution would be to not ban compensation for source plasma. This highlights a concern that we would share with policy-makers in that transfusion components are far different from plasma for further manufacture. We understand the concerns there, and we think that such a distinction is readily workable.

(2) A system like Germany's can be used, where there is a hard limit on the amount of compensation. In Germany, there is a limit of €25, which is viewed as making a donor whole for time, effort, travel and so on, although the German system does differ from that of the US.

1420

Another alternative to explore is to delegate authority to Canadian Blood Services. This would give greater authority to a trusted resource within Canada, would allow flexibility of supply chains, and would, in essence, be a far more pragmatic approach than an outright ban, which would have no benefit on safety or availability of plasma-derived products.

The world is far better now than it was when the Krever commission issued its report years ago. Most of the greatest leaps forward in technology, safety and efficacy have been effected since that time. The vast majority—over 90%—of hemophilia patients in Canada today use recombinant constituents that have virtually eliminated human plasma. Major plasma protein patient groups today—those with primary immune deficiency or alpha-1 antitrypsin deficiency, for example—did not have any therapies available at the time of the Krever report.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Joshua Penrod:** Thank you.

It is a far different world now. We have offered some solutions to address concerns about donor compensation and we stress our deep unease about a lack of clarity and a willingness to rush headlong into a solution for no purpose.

Thank you for your attention to these important issues. We are certainly willing to participate in any further dialogue to further enhance understanding about the issues and about our industry. We again thank you for your consideration in inviting our participation. Canada is a world leader in treating patients with a need for plasma protein therapeutics and this issue is of extraordinary importance to them, the patients, and to the industry supplying their life-saving therapies. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Thank you for coming. I would like to have your take on a question very similar to one I asked, and you were in the room. What do you figure would happen to our voluntary system if we started paying people for collecting source plasma and not paying them for collecting plasma for donation?

**Mr. Joshua Penrod:** I hesitate to predict what would happen in any certain circumstance, but what I can tell you is that we do have empirical data from countries in Europe, particularly the Czech Republic, that show that compensating for plasma actually raised donations for both compensated and non-compensated sectors because of an increased awareness of the need for both the transfusable components and the components for further manufacture.

I think you have seen the same thing happen in the US, where we have had national blood utilization surveys that have shown, basically, that the factors that contribute to the need for transfusable components or the need for plasma for further manufacture are, in fact, independent and de-linked.

We do have some experience as well in that we have our own International Plasma Awareness Week, sort of an industry-wide awareness campaign that basically increases awareness across the board. We know that advertising for certain plasma centres actually increases donation in others, including blood centres, as well. So there is a variety and a wide spectrum of approaches that have been taken and solutions that have been arrived at. But I don't want to predict anything.

**M<sup>me</sup> France Gélinas:** You give us the example of what happened in Czechoslovakia. Do you have any example where starting to pay, to compensate for donation of source plasma, had a negative effect on a voluntary system?

**Mr. Joshua Penrod:** We have no evidence to suggest that.

**M<sup>me</sup> France Gélinas:** And where have you looked?

**Mr. Joshua Penrod:** The US, Czech Republic, Germany, Austria—the countries, basically, where we're operating.

**M<sup>me</sup> France Gélinas:** Did any of them previously have a voluntary-only-based system?

**Mr. Joshua Penrod:** There is a different approach depending on the country because you have different policy frameworks in place.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Joshua Penrod:** In the US, for example, there have been parallel systems for many, many years. I confess that I don't know the entire history of the development of the German system. I do know that compensation in Germany is also offered for transfusable components in addition to plasma for further manufacture. Austria has just celebrated 50 years of having the industry in place, which is essentially as long as the industry has existed. So the picture is actually quite complex.

**The Chair (Mr. Peter Tabuns):** Your time is up. We go to the government: Mr. Fraser.

**Mr. John Fraser:** Thank you very much for joining us this afternoon, Mr. Penrod, and for your presentation. I just wanted to mention that we did revise the bill to ensure that bulk purchases or bulk transactions of blood or blood products are okay.

I want to go back to what our earlier witness was speaking about in terms of the Krever commission. In terms of the basic principles that were brought out for the blood system in Canada one was that blood is a public resource. The second one is that donors should not be paid. The other really strong recommendation that came out of that is that we should have a single operator for the blood system in Canada.

So in terms of these exemptions that you've raised today, have you discussed this with Canadian Blood Services, patient groups or other organizations? This amendment that you're bringing forward, is that something that you've—

**Mr. Joshua Penrod:** Sure. Yes, we have discussed it. I don't want to speak on their behalf; I know that CBS is speaking later, as are a number of patient groups.

We believe that the general direction—first of all, let me back up and say that the big concern from what happened in the spring, as you've pointed out, was the potential to interpret that finished products would not be allowed into Ontario from the US and elsewhere. That was a big change and a big relief for us, because that way we knew that the patients would still have access to the care.

In terms of the current statutory language and the way it would be addressed, at least at PPTA, we were looking at it sort of as a convention of legal interpretation, where you have a statute that would basically—the policy that's being affected is to eliminate compensated donation. Our view on it was that if CBS is this trusted resource, and if they are indeed the one that is being put in the driver's seat, as it were, to make this policy manifest, I think it's important to recognize that they need flexibility—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Joshua Penrod:** —accorded to them in addition to the needs of the patients, because they are the ones who are responsible for addressing those needs.

The language of the statute itself is such that that exemption—it can't just be interpreted into it. I think it has to be frank and forthright in the language, according to the plain language of the proposal.

**Mr. John Fraser:** I'm just asking you this. The message we get from CBS is, "This is what we want: a single operator, no paid-for donations." That's what we get from them, so I just want to know what they say in response to you—

**The Chair (Mr. Peter Tabuns):** Mr. Fraser, I'm sorry to say, but your time is up.

We go to the opposition: Ms. Martow.

**Mrs. Gila Martow:** Thank you very much. I noticed that the National Hemophilia Foundation is one of your endorsers, so I thought that was interesting to note.

I think the discussion here comes down to calculated risks. There are risks even if people donate blood; there is no perfect guarantee. Companies follow the regulations and regulations are in place. I believe that whether people donate or pay, we can have a safe blood and plasma supply.

What I wanted to ask is, do you see it as hypocritical if we're buying plasma products from the States—I think we're buying 70% of our products from the States—where people are remunerated in some fashion for their donation? Are we being hypocritical to not follow suit here while we're still importing those supplies?

**Mr. Joshua Penrod:** I think that different jurisdictions have different policy goals in mind. I certainly wouldn't want to come in here as an outsider and label it as such. I think that those are questions that have to be resolved within policy-making in the province and certainly within Canada. But it is a bit puzzling.

It should also be noted too that the Krever commission's report was an extremely important document, with very, very, very intensive, important findings based on an exhaustive review.



I think it's also important to recognize the changes in safety, efficacy and technology that have evolved in the past two decades since the Krever commission report has been published. Most of the major advances in safety occurred in the late 1980s, and again with testing technology in the late 1990s, which applies equally to both compensated and non-compensated models.

As a whole, we are very, very confident in the safety profile of compensated and non-compensated donations alike. Those donations made by donors in our industry system, using compensated donation—we have not seen any viral transmission in more than two decades. That's a pretty impressive safety record globally overall.

1430

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mrs. Gila Martow:** I think that's what it comes down to—public safety—and also people feeling comfortable with our blood supply and our plasma supply. I think that the difference shouldn't be focused on compensated or not compensated; I think that the difference should be focused on the fact that we're doing everything scientifically possible to ensure that the blood supply is safe, so I want to thank you for your time. It was a great presentation.

**Mr. Joshua Penrod:** Thank you.

**The Chair (Mr. Peter Tabuns):** Excellent timing. Thank you, Mr. Penrod.

**Mr. Joshua Penrod:** Thank you.

#### REGISTERED NURSES' ASSOCIATION OF ONTARIO

**The Chair (Mr. Peter Tabuns):** The next presenter is the Registered Nurses' Association of Ontario. Good afternoon. If you would introduce yourself for Hansard, Doris. You have five minutes. I'll give you a one-minute warning.

**Ms. Doris Grinspun:** I'd be happy to do that. Thank you very much. My name is Doris Grinspun, and I'm the CEO of the Registered Nurses' Association of Ontario, RNAO. With me today is our senior policy analyst, Dr. Lynn Anne Mulrooney. RNAO is the professional association for registered nurses, registered practical—oh, nurse practitioners and nursing students—I almost took another group—who practise in all roles and sectors in Ontario. Our mandate is to advocate for healthy public policy and for the role of nurses in enhancing the health of Ontarians.

The RNAO appreciates this opportunity to provide feedback to the committee looking at Bill 21. We have provided each of you with a detailed written submission that analyzes each area of the bill: voluntary blood donations, regulation of pharmacies, and other matters concerning regulated health professions. This afternoon, we will focus only on blood donations. We can take questions on any areas of the bill, though.

To tell you the truth, as I was sitting there, I was questioning myself: Why do we need a committee for such a question? I was questioning myself if this is what

taxpayers will want us to be doing: spending their money in having this committee wasting our time on something that should be not be asked. Blood and money simply don't mix—at least not for nurses.

Blood is a precious public resource. Allowing the commercial plasma industry to harvest blood from vulnerable people in return for payment in Ontario is in direct opposition to the evidence-informed policies of the World Health Organization. It contravenes the findings of Justice Krever's commission of inquiry into the blood system in Canada that was necessitated by the public health calamity of thousands of infections and deaths caused by contaminated blood products collected from paid donors. Having a self-sufficient national blood system comprised of altruistic donors with strong Canadian regulatory enforcement will honour the precautionary principle.

RNAO is asking our political leaders from all parties to put safeguarding the public ahead of profit. There are strong economic forces at work, in Ontario and elsewhere in the country, that are seeking to generate revenue from a growing demand for body parts, including organs and blood. In a world of increasing economic inequality, those who are often invisible are those who are forced into selling their body parts because they are simply desperate. What we can learn from the organ trade is that those who sell their organs are left in worse health and with lower incomes, and their communities have a declining willingness to donate.

Donations of whole blood and blood components should be fully voluntary, like any invasive procedure. There is always a potential for harm. The overall incidence of complications directly related to blood donation is 1%. This may seem to be a small number, but it is worthy of concern given the large quantities of blood collected each day across the world. It is important to remember that the reason why many countries prohibit paying people for blood is the great harm done, not only to the recipients of contaminated blood products but to the donors.

Since the 1970s, into the 1990s, outbreaks of blood-borne diseases such as HIV, hepatitis B and hepatitis C have been attributed to commercial plasma centres in Austria, Mexico, India and China. While the science and technology on blood safety have advanced since then, it is still true that the most vulnerable people in our society are prone to selling their blood, and their health must be protected. So RNAO urges you to prohibit selling blood for money or paying for blood. Blood and money simply don't mix.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Grinspun. To the government: Ms. McGarry.

**Mrs. Kathryn McGarry:** It's wonderful to see you again, Ms. Grinspun. As you know, I've been nursing for over 30 years, and I—

**Ms. Doris Grinspun:** I just tweeted about it.

**Mrs. Kathryn McGarry:** When I can look, I will. But thank you very much. I think we were at Mount Sinai together many years ago, which doesn't seem like that long ago.

I really appreciate the RNAO's position on this and the fact that the members are concerned about this particular issue. I just wanted to point out that I know you had sent a letter in July to Premier Wynne asking us to quickly move forward to prohibit paid plasma clinics. In fact that's one of the reasons why Bill 21 has come forward in this fall sitting and why we are here so quickly as a committee to make sure that we can move to get this legislation through. So I certainly appreciate that.

I just wanted to ask a couple of things of you on schedule 1. And I do have just a quick follow-up on schedule 2. But I just really wanted you to tell the committee again why upholding the voluntary blood donation and a single system under the Canadian blood supply is so critical.

**Ms. Doris Grinspun:** First of all, it ensures the precautionary principle in a much, much better way. Any time that money enters into the equation of health care—and specifically the issue of selling organs, including blood—there is cutting of corners, there is closing of eyes, there is closing of ears. We saw that. We saw that happening, and we have seen it happening in other countries. For those who say that it is happening in the US, well, the US has a multi-tier system. We don't, thankfully. And some of us actually left the US to come here for that same reason.

**Mrs. Kathryn McGarry:** Thank you. If I could just move quickly: I had a question about seeing if you think that improved information-sharing between the health regulatory colleges and other public institutions, like the hospitals and that kind of thing, would better protect the public if there were some issues between the registered members and the public institutions.

**Ms. Doris Grinspun:** We are in support of that aspect of the bill. We are seeking clarifications, though, so that for the nurse or the doctor who is undergoing investigation—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Ms. Doris Grinspun:** —it is clear what the parameters are by which information is shared for really protecting the public and what that means.

**Mrs. Kathryn McGarry:** So you see more of a balanced approach, not only protecting the public but also protecting the members and maybe seeing the bill roll out so that it does both in the long run.

**Ms. Doris Grinspun:** Correct, and also to clarify some aspects of the bill—and it is in our submission—to ensure that it protects both.

**The Chair (Mr. Peter Tabuns):** Thank you. We'll go to the opposition. Mr. Walker.

**Mr. Bill Walker:** Just before you go—I want to say thank you to the last presenter. I didn't get a chance to speak, and I just wanted to thank him. I thought he brought four recommendations that are pretty balanced and worth consideration by the committee.

I wanted to preface—even in my first comments I didn't do this—that safety and availability are absolutely the key things that I'm looking at when I look at this bill, when I've spoken to it. It's trying to balance the need of

the greater good of all Ontarians at the end of the day. So that's why I made the comments, that's why I want to be in committee to see all of the different aspects.

Doris, do you think we can guarantee the supply of blood versus demand as we go forward with our aging demographic?

**Ms. Doris Grinspun:** Yes, I think we can. I think it's an issue of raising awareness, raising consciousness, educating people that today, you may need blood, and tomorrow, I may need the blood; and donating in good times, not waiting until a family member is very ill etc. I absolutely think we can.

**Mr. Bill Walker:** So if a company today was to come in and use the exact same process—the only difference being that they would implement a paid donor versus a volunteer—would you agree to that?

**Ms. Doris Grinspun:** No. Money and blood, and money and organs in general, do not mix. I come from a country where some of those things happen in terms of organs and the black market etc., and it simply doesn't work. So, no.

1440

**Mr. Bill Walker:** Do you have any difference of opinion if we were to separate research versus transfusion for patient purposes?

**Dr. Lynn Anne Mulrooney:** No, but the other point that I would just add on to what Doris was saying—I think there are many things that we can do, like look at why Canada is using more plasma than other countries. If we had some revisions to the way we organize the pharmaceutical industry, and brought in national pharmacare, for example, there could be savings that would be available for us to invest into our system.

There are lots of bright people. We could arrange a better way of doing things, I think, if we tried, rather than preying on vulnerable people.

**Mr. Bill Walker:** I guess I'm not suggesting that we're preying on vulnerable people. As I referenced in my earlier remarks, I have a good friend, who is certainly far from being a vulnerable person, who went to Europe and did this as part of their travelling and saw absolutely no concern with doing it.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Bill Walker:** My question, I guess, gets back to the ability—we're currently importing 70% of our plasma protein products. So if we're doing that, we're utilizing blood from those types of sources. Why can we not do it here if we're prepared to buy it?

**Dr. Lynn Anne Mulrooney:** I think, actually, if you look at the literature, sir, and the experiences, a lot of the people who donate are actually very vulnerable. That's why they are willing to go through the process of something that is—

**The Chair (Mr. Peter Tabuns):** Thank you. I'm afraid we have to go on to the third party: Madame Gélinas.

**M<sup>me</sup> France Gélinas:** I think you've stated your case pretty clearly to keep it the Canadian way—that is, volunteer donation.



I would like to take you to the other two parts of the bill, if you don't mind. I see that you make recommendations, and one of them has to do with what happened with the diluted chemo drugs: that recommendation number 2 from the committee be added. I was wondering why you made such a comment and how those particular recommendations—what would that mean?

**Dr. Lynn Anne Mulrooney:** We looked very carefully at the report that came from your committee. We thought you made a very compelling argument, from the testimony that you heard, in terms of the need for accountability and transparency in how pharmaceuticals are acquired and how public money is spent. I think the best rationale is to go back to your report. I think it's all very clearly outlined there. We think we have to be accountable.

**M<sup>me</sup> France Gélinas:** You feel that the recommendations from the committee will bring transparency and accountability? Do you figure they will be effective?

**Dr. Lynn Anne Mulrooney:** Yes, especially the second. The second one, we thought, particularly addressed the concerns that were raised about what was happening with money. It just seemed to be kind of going all over the place. It seemed very confusing.

**M<sup>me</sup> France Gélinas:** And it was, let me tell you.

My last question: You also make recommendations about some of the changes in reporting, specifically when it has to do with places of work. Could you give me ideas—except for hospitals, what did you have in mind?

**Ms. Doris Grinspun:** Any time that there is a complaint and an investigation, that positions the public at risk. That's the piece that needs to be then clarified, to protect both the health care professional and the public. That should be reportable, because not every time the person that is being investigated, even though it can place the public at risk—take, for example, the issue of abuse—that is actually conveyed to the employer.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**M<sup>me</sup> France Gélinas:** The way the bill is written now does not include this?

**Ms. Doris Grinspun:** Some of that needs to be clarified further, and we made some recommendations in our submission.

**M<sup>me</sup> France Gélinas:** Okay. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

#### THERAPURE BIOPHARMA INC.

**The Chair (Mr. Peter Tabuns):** Our next presenters, then: Therapure Biopharma Inc. Mr. Krause? When you're seated, if you could introduce yourself for Hansard. You'll have five minutes, and I'll give you a warning at the one-minute mark. Please proceed.

**Mr. Mark Krause:** Thank you very much. I appreciate you taking the opportunity today to be here and for us to present. My name is Mark Krause. I head up the plasma protein group at Therapure Biopharma Inc.

By way of background, Therapure is a contract manufacturing company. We're located in Mississauga,

Ontario. We manufacture, on behalf of third-party life science companies, complex biologics.

We were born, if you will, in 2008. We were bought by an investment company out of Toronto out of bankruptcy. We have grown, since that time, from 13 employees to almost 300 today. Arguably, we are a world leader in the field. We have spent, in that time, about \$150 million to build the business, and this is, we feel, very important for the life sciences sector in Ontario in particular.

For us, plasma proteins are a vital part of our business. We have significant contracts both with industry as well as—actually, we have a very large contract with the US Department of Defense around manufacturing a product for them, which is a nerve gas antidote based from plasma.

These are very important proteins, obviously. The only place that we can currently get them from is plasma proteins. One of the concerns that we have, and that we had discussed in the earlier version of the bill, is with respect to the importation of raw material from compensated donors—plasma protein from compensated donors from the US.

It appears that a change was made to the Trillium Gift of Life Network Act which addresses that primarily, but at the same time we really need to make sure, from our business perspective, that we can import plasma from compensated donors. Otherwise, we will severely impact our business.

What we're looking to see is a positive statement to the effect that we are allowed to import plasma from compensated donors. We do struggle from an investment perspective. We make long-term investment decisions, and anything from a legislative perspective that harms that certainly doesn't bode well from an investment perspective, both from a dollar perspective as well as, obviously, from an employment perspective. So hopefully we can see something from a positive-statement perspective that importation for manufacturing purposes is allowed.

Regarding the banning of compensation of donors, we are looking at, over the next three years, expanding the business and investing another \$200 million into the business. That is based purely on products from plasma proteins. Again, when we look at the long-term perspective of this, anything that jeopardizes our ability to do that is not good. But from our perspective as well, having the ability to use plasma from compensated donors in Ontario is actually not a bad thing.

Right now, if we're looking at manufacturing anything using plasma proteins, we're doing so by purchasing it from the US. They're the only country with a surplus in plasma proteins and they are also the only one that's recognized, from a safety perspective, as being a "gold" standard. That's because of the high levels of safety. We as a company are very comfortable with those safety standards—

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Mark Krause:** —both from a patient perspective as well as, quite frankly, from an employee perspective, because people are in contact with plasma as well.

From our perspective as an Ontario-based company, why wouldn't Ontario want to be in control of that supply and in control of the safety standards? We do, as has been said a couple of times, import over 70% of our products currently from the US and from compensated donors. Why would we not want to be in control of that?

**The Chair (Mr. Peter Tabuns):** Thank you very much. The first question to the opposition: Mr. Walker?

**Mr. Bill Walker:** Thank you very much. Just to reconfirm, I think I heard you say that you cannot sustain your current business without the ability to have paid donors, whether it be the importation and/or here in Canada, and thus research would be severely negated if you don't have that supply. Can you just expand on that a little bit to make sure I heard you correctly?

**Mr. Mark Krause:** Yes, you did hear correctly. I can't sit here and say that 100% of the business would be impacted, but we roughly have about 50% of our business that relies on plasma from compensated donors. Without that we obviously wouldn't be investing both in jobs as well as money into the facility in order to be able to do that. So we are heavily invested from that perspective, or heavily tied into plasma from compensated donors. It goes beyond just the business. It's also to the end of the day. We're manufacturing product for third-party companies; those third party companies are bringing those products to patients. At the end of the day, if we can't manufacture because we're not able to bring in that plasma, simply put, the patients don't have the product. It's not easy to transfer manufacturing processes. This is at least an 18- to 24-month process, and if that's a requirement, because we're unable to do so, there will be a gap to the patients at the end of the day.

1450

**Mr. Bill Walker:** Can you expand upon that? You did reference in your brief notes the Department of Defense in the United States for gas, that type of concern. I certainly know of the one for Alzheimer's and dementia, which I believe is going to be a significant issue that we're going to have to address as a society. It's already starting to mount; we can't wait too much longer until we find that cure, or at least something that can help. Can you just expand a little bit on the other types of research that are being done and the types of ailments that people are currently suffering from?

**Mr. Mark Krause:** I can speak directly to the Department of Defense one. It's called human butyrylcholinesterase; it's a very trace protein found in very small quantities. What that does is it provides an antidote, effectively, to being exposed to sarin gas. What the Department of Defense is looking at this for is that before troops go into the theatre, where they may be exposed to various nerve gas agents, sarin gas being one of those, that becomes available to the troops and they will then be immune from any adverse reactions, which is not insignificant given the nature of these nerve gases.

**Mr. Bill Walker:** Any other health ones?

**Mr. Mark Krause:** Pardon me?

**Mr. Bill Walker:** Any other health applications that you're aware of?

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. Mark Krause:** There are. I hesitate a little bit because we don't disclose, typically, a lot of the clients that we're dealing with, but there are a significant number of other disease states that—

**Mr. Bill Walker:** That are in the research process?

**Mr. Mark Krause:** That are absolutely in the research process.

**Mr. Bill Walker:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Walker. Madame Gélinas?

**M<sup>me</sup> France Gélinas:** I'm a little bit curious about your business model. Do you buy raw plasma right now from Canadian Blood Services?

**Mr. Mark Krause:** Typically, what we do from a business-model perspective is we always work with a third party. In the case of what we're looking at today, we work with the Department of Defense, and the Department of Defense purchases and sends plasma to us. In this case, it's a derivative of the plasma processing. We have other clients that we purchase plasma directly from, and typically we do not actually purchase it from Canadian Blood Services. Most, if not all—I'm sure that one of the next speakers from Canadian Blood Services will be able to clarify that—is used in order to manufacture product that gets sold back into the Canadian market, so that's not a source of plasma for us. Whenever we purchase plasma we need to go to the U.S. and purchase from—

**M<sup>me</sup> France Gélinas:** Where are the derivatives made? Where are those labs? Do we have one in Ontario?

**Mr. Mark Krause:** That's what we do. Our company is set up to manufacture on behalf of others. A good portion of the 300 employees that we have are working on purifying the plasma into the end product.

**M<sup>me</sup> France Gélinas:** For the contract that you willingly shared with us, the one with Defense in the States, they are one that purchased the plasma for you?

**Mr. Mark Krause:** The way that the contract is structured is that they purchase the plasma for us. Indirectly, we do purchase it and process it further in our facility, yes.

**M<sup>me</sup> France Gélinas:** Is there a reason why this arrangement is set up like that?

**Mr. Mark Krause:** Because it's not available any other way, I guess is the simplest way to put it. As I said, it's a derivative of the manufacturing process. We have no domestic manufacturers that are capable of manufacturing plasma products.

**M<sup>me</sup> France Gélinas:** Where are those manufacturers that are able to do this?

**Mr. Mark Krause:** They're all based out of the U.S., and they all use U.S. plasma from compensated donors.

**M<sup>me</sup> France Gélinas:** And who are those companies? Do you know some?

**Mr. Mark Krause:** I know some of the companies; I won't disclose who we use, but the larger companies—



CSL, Baxter and Grifols would be the three largest players.

**M<sup>me</sup> France G  linas:** All the big ones that we already know.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**M<sup>me</sup> France G  linas:** Okay. The way the system works right now, you are able to gain supply, and the way the bill is written right now, it's not going to shut down the doors to your business tomorrow; you would just like it to be clearer for your investors that there is a long, prosperous life for your business.

**Mr. Mark Krause:** That's right. Anything that puts question to that spooks long-term investment, whether it's our investors or others.

**M<sup>me</sup> France G  linas:** But the bill—

**The Chair (Mr. Peter Tabuns):** Thank you. Your time is up. I'm afraid we have to go to the next party, the government: Mrs. Mangat.

**Mrs. Amrit Mangat:** Thank you, Mr. Krause, for presenting here at Queen's Park. In your statement, you said that your company is Mississauga-based.

**Mr. Mark Krause:** Yes.

**Mrs. Amrit Mangat:** Would you mind sharing with the residents of Mississauga, or Ontarians, what role your company is playing when it comes to the health care sector?

**Mr. Mark Krause:** Typically, a company that doesn't have the ability to manufacture a product will go through their own R&D. They will be able to articulate to us what type of product they would like to have manufactured. Rather than them building a large facility on their own, what they will do is come to us because we already have the facility.

I alluded to the \$150 million in investment that we've made. That's largely into the facility. The facility is very expensive, from a capital input perspective, and it's also very expensive to run the facility. So a lot of smaller, typically, companies choose to use us to manufacture their product, because it's more efficient, from their point of view.

**Mrs. Amrit Mangat:** I'm sure that you're aware that we revised the original text of the bill, and it wouldn't prohibit commercial transactions. So why do you feel that this change is important to you?

**Mr. Mark Krause:** There was a change to the original bill, which I think clarified it. We had an issue and we expressed what that issue was. I think, for the most part, it has been addressed. But as per most bills, having a clear statement with respect to the intent is more helpful.

I think there has been a carve-out, obviously, for Canadian Blood Services and bulk product, but not necessarily bulk input into the product, and we only have inputs into our product—so plasma directly, versus plasma products.

I'm personally less worried about—as Therapure, I'm less worried about product coming into the country than I am about raw material for us to manufacture product.

**Mrs. Amrit Mangat:** Thank you. Go ahead.

**Mr. John Fraser:** Thank you very much, Mr. Krause, for appearing today. I just want to make sure I heard you clearly. Did you say that the United States is a country that has a surplus in plasma protein? Did you say that?

**Mr. Mark Krause:** Yes.

**Mr. John Fraser:** Okay. That's all I wanted to clarify. I didn't quite get it. Thank you very much.

**The Chair (Mr. Peter Tabuns):** Further questions from the government? No?

Thank you very much.

## CANADIAN BLOOD SERVICES

**The Chair (Mr. Peter Tabuns):** Our next presenter: Canadian Blood Services. Good afternoon, sir. If you'd introduce yourself, and you know you'll have five minutes. I'll warn you at the one-minute mark.

**Dr. Graham Sher:** Thank you very much. Thank you, committee members. I'm Dr. Graham Sher. I'm the chief executive officer at Canadian Blood Services. I welcome the opportunity to speak to Bill 21.

I want to very briefly outline the scope of work that Canadian Blood Services does in this country—there has already been some discussion around that—and, importantly, clarify the collection practices for plasma in this country, and then present our organization's perspective on Bill 21 and the payment for donors.

As many of you probably know, we are responsible for operating Canada's national blood supply system across the entire country, with the exception of the province of Quebec. We provide safe, cost-effective and accessible supply to blood and blood products for all Canadians.

We are also responsible for bulk purchasing plasma protein products on the international market, and I'll come back to that in a moment.

We have responsibility for managing the country's stem cell program for patients awaiting stem cell and bone marrow transplantation. We're now operating Canada's national cord blood bank, and we are also involved in organ donation and transplantation. All of these programs are potentially implicated by Bill 21.

We are a not-for-profit, national organization and were created following Justice Krever's release of his report in 1997. I have been the CEO since 2001. My background is as a hematologist, and prior to joining the blood service, I ran the largest transfusion program in the country, treating many patients with HIV and hepatitis C from infected blood in the 1980s and 1990s.

Canada is 100% sufficient in blood for transfusion purposes: red blood cells, platelets to stop bleeding, and plasma for transfusion purposes. We do not need to import any of those, and that's not in the scope of discussion.

Like virtually every country in the world, however, Canada is not self-sufficient in plasma protein products derived from human plasma. We rely heavily on an importation model to support patient needs for these drugs.

To come to a question that Mr. Walker posed earlier, at the moment we are not sufficient in meeting patient

needs for a number of these drugs—not just the immunoglobulin drugs, but also albumin.

**1500**

Since 2003, Canadian Blood Services has been evolving a long-term national strategy to ensure a sufficient supply of plasma for plasma derivatives for Canadian patients, a supply that takes into account and balances security of supply, multiple vendors in the marketplace, product choices for patients, cost-effective delivery—important to governments—transparent procurement processes and complete stakeholder engagement in the procurement process.

To meet the high and growing demand for these plasma derivatives in Canada, we contract manufacture the plasma that we collect, and this goes to Ms. Gélinas's question. We send the plasma that we collect to two manufacturers, one in the United States and one in Europe, where the plasma is manufactured into these specialized drugs and then returned back to Canada for distribution to Canadian patients. That allows us to meet 30% of the need of all patients requiring immunoglobulins in this country. To meet the other 70% of the need, we then purchase drugs that are manufactured from paid commercial donors in the United States. These are drugs licensed by Health Canada, licensed for distribution in Canada.

This practice is not unique to Canada. Save and except for the United States, virtually every country in the world depends on the paid commercial industry to meet patient needs. Patient groups support this and you will hear from some of them later in your hearings.

What is my organization's position on paying donors? We believe that paying for plasma is a moral and ethical decision for governments and societies to determine, and we support the government of Ontario in passing this legislation—

**The Chair (Mr. Peter Tabuns):** One minute left.

**Dr. Graham Sher:** —for the citizens of Ontario. Paying donors is not an issue of safety. Decades of evidence have proven that drugs made from plasma derivatives today are inordinately safe and just as safe as those made from volunteer donors. This is not the 1980s; 20 years of advanced science and technical improvements have made these products extremely safe.

Without access to these products, a great percentage of Canadian patients would not get the care that they need. The demand for these drugs continues to rise and it will require enormous public expenditures for Canada to be 100% self-sufficient in plasma, and in fact that would be a risk strategy, putting all our eggs in a single basket.

We continue to work with not just the government of Ontario but all governments in this country to ensure the right balanced risk from a plasma sufficiency point of view to meet the needs of Canadians.

I thank you for your time and I thank you for allowing us the opportunity to provide input into this bill.

**The Chair (Mr. Peter Tabuns):** Thank you. You're on the button. Madame Gélinas.

**M<sup>me</sup> France Gélinas:** I'm interested in the business model behind—you end with the little sentence you've

given us: "... it is not economically feasible for Canada to be 100% sufficient in Canadian plasma collected for fractionation." How could it be that there are businesses that want to pay donors and make a business out of it, but Canadian Blood Services, which doesn't pay donors, cannot make a business out of it?

**Dr. Graham Sher:** A very good question. Currently, we collect about 200,000 litres of plasma in this country, which we send to these two manufacturers that I mentioned. In order to be 100% self-sufficient at today's rate of use of these drugs, we would need 800,000 to 850,000 litres. We would need to quadruple the size of the plasma collection program we have in Canada.

The commercial industry in the United States is collecting in excess of 24 million litres a year, an economy of scale that we simply can't achieve. So there is a cost differential between what we can do and what the large commercial industry is able to do in the United States.

That said, as I mentioned, we continue to work, not just with the government of Ontario but all the governments that are part of Canadian Blood Services, to see how we can increase the amount of plasma that we collect in this country in a cost-effective manner.

Equally importantly, we don't want to have 100% of the plasma come from Canadian donors. That was the situation in the United Kingdom a few years ago. Then mad cow disease hit that country and they had to cease all plasma collection in that country. So it's a notion of balancing risk and security of supply.

**M<sup>me</sup> France Gélinas:** I come from northern Ontario. I used to donate plasma in Sudbury; that closed. It went to Thunder Bay; Thunder Bay is now closed. Where do you collect plasma?

**Dr. Graham Sher:** The plasma that we send for fractionation is plasma that comes off the whole blood that we collect. We collect it right across the country in about 20,000 clinics that we run each year. The small facility that we closed in Thunder Bay was a facility not collecting plasma for fractionation purposes, but plasma for transfusion purposes. The demand for that plasma has gone down dramatically. We were only collecting 6,000 litres a year. There are 12,000 collections.

**M<sup>me</sup> France Gélinas:** So you don't do plasma. You only do whole blood and then you extract the plasma out?

**Dr. Graham Sher:** I apologize. We do small volumes of source plasma collection in four of our sites across the country.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**M<sup>me</sup> France Gélinas:** Okay. And this is part of the units that you send to the States and to Europe. But you don't see a business to be made for CBS in there?

**Dr. Graham Sher:** I absolutely do, and that's what I just mentioned: that we are currently in discussions with government to look at significantly increasing the volume of plasma that we collect in our volunteer non-remunerated system. There is a business case in development to that effect.



**M<sup>me</sup> France G  linas:** I look forward to seeing that.

**The Chair (Mr. Peter Tabuns):** Thank you. Now to the government: Mr. Anderson.

**Mr. Granville Anderson:** Thank you, Doctor, for appearing before this committee today. As you know, the royal Commission of Inquiry on the Blood System in Canada, more commonly referred to as the Krever commission, recommended that the Canadian blood supply system be governed by five basic principles, one of which is that "Donors of blood and plasma should not be paid for their donations except in rare circumstances." Can you elaborate as to why this principle is so important to Canadian Blood Services?

**Dr. Graham Sher:** It is a principle that is important to us, Mr. Anderson, and a principle we continue to aspire to. Canadian Blood Services does not, and will not, pay its donors.

The issue that we have really brought to light with the complexity of the question that this bill speaks to is that the products we purchase come into this country from commercial donors, and we need to recognize that the patients whom we serve in this country are receiving products from paid donors, which today, in the current day and age, are extremely safe products.

That said, the voluntary blood sector, of which Canadian Blood Services is a part, has held to this principle of non-remuneration for the better part of 40 years now, and we see no reason to change that principle. At the same time, we have to recognize that a safe, successful and necessary commercial plasma industry coexists with the voluntary blood industry side by side, and we really do need to recognize that patients depend on both systems in order to provide products for their care. We are not talking about paying blood donors.

**Mr. Granville Anderson:** Okay. Thank you. As a follow-up, a number of organizations are concerned about the supply of PPPs for patients with blood disorders. Can you please explain why CBS ensures sufficient supply of PPPs as well as blood plasma for transfusion purposes? Why is it important to have a single operator perform the core functions of the national blood supply system?

**Dr. Graham Sher:** So as I mentioned when I described the functions of Canadian Blood Services, we are responsible for collecting all the blood for transfusion purposes. We also have sole responsibility for procuring the plasma protein products, PPPs, for patients who require these specialized drugs. That happens in one of two ways: either the plasma that we collect then gets manufactured in one of two facilities—one in Europe; one in the US—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Dr. Graham Sher:** —or we purchase these commercial products from the commercial market.

We have been given that sole responsibility by the provincial and territorial governments of Canada. All PT governments, including Ontario, are members of the Corporation of Canadian Blood Services, and we have the sole responsibility for meeting those patient need requirements.

**The Chair (Mr. Peter Tabuns):** Thank you. We go on to the opposition: Ms. Martow.

**Mrs. Gila Martow:** Thank you. My question is, if we're shipping to countries to manufacture these plasma protein products and these are countries where they're accepting plasma from centres that are remunerating people giving the plasma, is all the plasma being mixed together, or are there guarantees in place that our plasma is being treated separately and shipped back separately?

**Dr. Graham Sher:** A very good question. There is complete segregation of the process. When our plasma goes down to one of those two facilities in the US or Europe, our plasma is segregated, manufactured separately. The finished drugs are labelled "For Canadian Blood Services Use Only" and shipped back to us. Then the plant goes through a purification and cleaning process, following which any other provider's plasma goes through.

There is no admixing of our plasma with the paid commercial plasma industry. That is true so that we can then assure ourselves that the product is coming from the plasma that we provide.

1510

**Mrs. Gila Martow:** Thank you. So in terms of sort of what you said, that there's no safety concern as far as you're concerned—it's all a moral or ethical dilemma—and in a country as vast as Canada, where so many people live in such remote areas that it's impossible—and I'm guessing that's why the centres that Madame G  linas was donating at were shut down—do you feel that we have to take that sort of moral high ground and say, well, we're able to collect enough blood products for blood, but in terms of plasma, in terms of manufacturing—and we are purchasing from countries where they take donations—that it would not be cost-effective to count on completely Canadian donations for all of our plasma protein products?

**Dr. Graham Sher:** Yes. I think that is well said. You used the word in an earlier question to another presenter, whether this is a hypocritical situation. I don't think it's hypocritical. It is the reality and the complexity of the multinational industry that we are required to depend on. I do not think it is cost-effective, or sensible from a risk management point of view, for us necessarily to collect 100% of plasma in our market. I think there are risks associated with this strategy too, and we really need to have a very carefully risk-managed strategy to support the needs of all Canadian patients.

**Mr. Bill Walker:** Thank you very much, Doctor. I have a couple of questions. You've shared with us in the documentation provided that Canada, like many other countries, is not self-sufficient in plasma for fractionation, that the demand for these products is increasing as new therapies are identified, and that for some patients, these products are life-saving treatments for which there are no alternatives.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. Bill Walker:** You've suggested that there is going to be increased demand, risk strategy is a big issue

that needs to be balanced, and that they are as safe for paid as non-paid. I'm suggesting that you might say that you could go down the road for plasma protein donations to be paid, but not for transfusion. Is that a fair assessment?

**Dr. Graham Sher:** Yes, and that is the current situation today. We purchase drugs made from paid plasma donors. We do not pay our blood donors. In fact, neither do they pay blood donors in the United States. That is the complexity of the sort of industry in which we exist today.

**Mr. Bill Walker:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much for your presentation today.

**Dr. Graham Sher:** Thank you, Mr. Chairman.

### CANADIAN IMMUNODEFICIENCIES PATIENT ORGANIZATION

**The Chair (Mr. Peter Tabuns):** Our next presenter: Canadian Immunodeficiencies Patient Organization. Welcome. If you would identify yourself for Hansard, and then please begin.

**Ms. Whitney Goulstone:** I'm Whitney Goulstone. I'm the communications director for the Canadian Immunodeficiencies Patient Organization, CIPO. I'd like to thank the committee, especially on World AIDS Day and Epilepsy Action Day. Nice ribbons.

I'm sorry, but my colleague Dr. Stephen Betschel, who is our medical advisory doctor, is not here today, so I'm going to try to answer any questions you have. But patience, please: I don't really have a medical background.

The WHA currently recognizes 300 primary immunodeficiencies, with 900 patients in Ontario currently receiving plasma-derived therapy, either by IV or home therapy. For the majority of these patients, the only treatment option available is plasma-derived products.

Over the last 20 years, the plasma industry has developed very well-documented and effective procedures to collect and process plasma safely for both the donors and the recipients.

I, myself, along with 900 other Ontarians, have CVID, which is common variable immunodeficiency. I do not produce my own antibodies. This puts our bodies at greater risk of infection. Common colds can be terrifying. Colds quickly turn into pneumonia, which becomes life-threatening. We depend on plasma collected from healthy donors in order to keep our levels normal and stay out of hospital. Canada is the largest user of IV plasma, with the vast majority of our product coming from paid US donors.

The one thing a mother never wants is to cause unwanted distress to her children. That happened to me. Before I started treatment, a pneumonia took me to the ICU, where my husband was told to bring our children to say goodbye to their mother. That's something I never want to have happen again.

Since I started treatment, my quality of life has improved, and my stays in hospitals have decreased, along

with antibiotic use. My son, however, is currently undergoing testing on his own immune system and, one day, there is a large chance that he will need plasma therapy himself.

At CIPO, we understand the history, but we ask this government to please not close the door on this lifeline and its possibilities. CIPO will continue to work with CBS, the national rare blood disorder organizations, and the manufacturers of products to ensure ongoing product safety for our patients.

**The Chair (Mr. Peter Tabuns):** Thank you. Questions, to the government: Mr. Fraser.

**Mr. John Fraser:** Thank you very much, Ms. Goulstone, for presenting today. I appreciate what you had to say in terms of working with CBS. Earlier today, CBS stated that there are no issues with supply with respect to PPPs in Canada. Also, we heard from Mr. Krause, who is from—

**Ms. Whitney Goulstone:** PPTA.

**Mr. John Fraser:** Pardon me?

**Ms. Whitney Goulstone:** Oh, Mark Krause.

**Mr. John Fraser:** —Mark Krause, yes; Mr. Krause, yes—that in respect to the United States right now, they currently have a surplus in plasma protein. We also heard from Mr. Sher with regard to what occurred in the United Kingdom. They had a unique blood supply where they met all their needs and then found themselves in a very serious situation where they would have a very serious problem with supply. I guess what I'm trying to say is that having a mixed market for doing these things is a good thing. I know, for instance—

**Ms. Whitney Goulstone:** Yes, it is.

**Mr. John Fraser:** —Nordion, which is in Ottawa, supplies a huge portion of the medical isotopes for cancer.

Can you tell me what you discussed with CBS in terms of going forward for the concerns that you raised here today?

**Ms. Whitney Goulstone:** I'm not our representative on the national liaison committee. I'm starting in March. But we have had a sitting member on the national liaison committee.

It is good to have a mixed group in your blood supply. You never want to have one pool, so it is good to have a mixed group. It is nice to have a large donation base, even when it comes to plasma, especially when you're treating patients who have a lowered immune system, which is what you're having here. You're having patients who need a large pool of healthy antibodies, so it is good to have a large, diverse base.

**Mr. John Fraser:** I take it from those remarks that you believe that having a single operator is key to our blood system.

**Ms. Whitney Goulstone:** A mixed base. We want as large a pool as you can get.

**Mr. John Fraser:** Okay. That's all the questions that I have.

**The Chair (Mr. Peter Tabuns):** You have about 30 seconds. Mrs. McGarry?



**Mrs. Kathryn McGarry:** A quick question for you—thank you very much. Do you believe that there is any safety risk with using other supplies rather than the Canadian blood supply? The reason it was actually started was because of the tainted blood scandal in the 1980s. I think the PPS that we went in to see if they had applied hadn't even actually agreed to doing something like that, that they were asked to do, so it makes me a little suspicious that they're not—

**Ms. Whitney Goulstone:** Given the regulations that are going right now, that are set in place, I don't have any concerns.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that your time is up. We'll go to the next party, the opposition: Mr. Walker.

**Mr. Bill Walker:** Thank you very much. It's a pleasure to speak. I empathize, first and foremost, with the predicament that you found yourself in, the situation you had to deal with, and I share, certainly, that I don't want any other mother or dad or any sibling or friend or family to have to go through that.

I believe Dr. Sher shared with us that currently, there are about 200,000 litres annually produced, and that's not enough. We're still buying it from the States. Either projected demand or the actual reality is that 800,000 to 850,000 units are needed.

I take particular note with your document that you shared with us, that "there have been no problems or issues with these products and the safety regulations in place are considered safe by blood system regulators around the world."

**Ms. Whitney Goulstone:** That's true.

**Mr. Bill Walker:** "Currently, our patients feel safe with their product. We want them to continue in this regard." Your concern number 2 is that "not allowing paid plasma donations in Canada will encourage Canada's overreliance on the US for plasma. We are concerned that only three of some 30 plasma-derived products used by Canadians are manufactured in whole or in part by plasma collected from unpaid donors by CBS and Héma-Québec."

I think what you're saying is, there is an ability to do more here, right in Canada, right with our own product, our own fellow citizens, and why would we not do that? Certainly, some concern—"over the last 20 years the plasma industry has developed very well-documented and effective procedures to collect and process..." So again, you're feeling safe, you're feeling comfortable, and let's base this "on science and ethics rather than history and politics"—I couldn't agree more—and not cut off your patient's life.

When we're talking about this, that's the whole balance we're trying to find: What is the reality of what we can provide? Is there a risk at all to any single Ontarian that they won't have that product when they need it? Again, Dr. Sher said that many of them are life-saving realities. We can't play with something that's a life-saving reality. We need to make sure it's there, not say, "Oh, we wish we would have," or, "We could have,"

or, "We could do better." We need to ensure that we have the balance in place from that risk management strategy.

I'll turn it over to my colleague.

**Mrs. Gila Martow:** I think we all share your concerns, and I think that what has become very clear today is that in as large a country as Canada we can't collect and manufacture just from volunteers. It's just not cost-feasible unless we're going to be flying planes all over the country to collect.

Have you ever felt concern that there wouldn't be product available for you in the future should you need it? Is that something that worries you?

1520

**Ms. Whitney Goulstone:** Not yet.

**Mrs. Gila Martow:** Not yet?

**Ms. Whitney Goulstone:** Not yet. Relying solely on one country is a little daunting, but, I mean, the US is a large country. It does have enough product for itself. It's supplying a large population, though, as well as supplying the world, so it's a little scary, I think. Overreliance on one country—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Ms. Whitney Goulstone:** —can always have its faults.

**Mrs. Gila Martow:** What I think is also a concern, as I'm doing my research, is that there are these big manufacturing centres. What if there's a problem at one of the manufacturing centres, either some kind of infection or—

**Ms. Whitney Goulstone:** Exactly.

**Mrs. Gila Martow:** Just like we saw in Japan, where there was an earthquake. We need to ensure that we're not putting all our eggs in one basket. I think that it's all about risk management and it's about looking at the big picture here.

**Ms. Whitney Goulstone:** Exactly.

**Mrs. Gila Martow:** Thank you very much for coming in.

**The Chair (Mr. Peter Tabuns):** Your time is up. Madame Gélinas?

**M<sup>me</sup> France Gélinas:** Thank you so much for coming, and thank you for sharing your very personal story with us. So if you were in our shoes, if you had your druthers and you got to make the final decisions, would you say yes today to paying for plasma?

**Ms. Whitney Goulstone:** Yes.

**M<sup>me</sup> France Gélinas:** You would?

**Ms. Whitney Goulstone:** Yes.

**M<sup>me</sup> France Gélinas:** If you were there in the room and you listened to what Dr. Sher had to say about Canadian Blood Services, he left us with the assurance that we meet the needs, we have business deals in place; we deal with Europe and the United States. They are looking at a business model to make us even more robust in meeting the needs, but you still have fears?

**Ms. Whitney Goulstone:** I don't have any fears, no.

**M<sup>me</sup> France Gélinas:** Okay. You don't have any fears, but you don't want to stay with Canadian Blood Services and the volunteer model that we have?

**Ms. Whitney Goulstone:** I'm sorry; I don't think I understand your question completely.

**M<sup>me</sup> France Gélinas:** The question is, we have a volunteer-based model right now—

**Ms. Whitney Goulstone:** Right. I think that both models can coexist side by side.

**M<sup>me</sup> France Gélinas:** And you were there when other people explained to you that there are risks in bringing the side-by-side in a society like ours where we've had the volunteers for a long time. There is a risk. You don't see that risk?

**Ms. Whitney Goulstone:** I think that Dr. Sher agrees with—I didn't hear him saying that there was a risk. Economically, it would cost a lot, but I think most patient organizations think that paid donations are okay.

**M<sup>me</sup> France Gélinas:** And they don't see a risk to the system as a whole?

**Ms. Whitney Goulstone:** I think that, even if there were paid donations, the people who volunteer for blood product would continue to volunteer for blood product.

**M<sup>me</sup> France Gélinas:** Okay. Thank you.

**The Chair (Mr. Peter Tabuns):** Okay. Thank you very much.

**Ms. Whitney Goulstone:** Thank you.

#### ONTARIO HOSPITAL ASSOCIATION

**The Chair (Mr. Peter Tabuns):** Our next presenter, then, is the Ontario Hospital Association. Welcome. If you would introduce yourselves for Hansard. You have five minutes to speak. I'll give you a warning at the one-minute mark.

**Ms. Elizabeth Carlton:** Thank you very much. Good afternoon. My name is Elizabeth Carlton, and I'm vice-president of policy and public affairs at the Ontario Hospital Association. With me is Emily Musing, who is the executive director of pharmacy, clinical risk and quality at the University Health Network.

The OHA is pleased to have the opportunity to provide comments on Bill 21 on behalf of its members. To help inform our position, we consulted with nearly 100 hospital pharmacy professionals, as well as hospital leaders.

As you may know, the hospital has been supportive of Dr. Jake Thiessen's recommendations and the proposed legislation. In particular, we would like to reiterate our support for a number of proposed amendments to the Drug and Pharmacies Regulation Act, or the DPRA, as in many respects they acknowledge the need to tailor the application of the act to hospital pharmacies. Nonetheless, we believe that further clarification is warranted.

I'll now ask Emily to speak to some of those issues.

**Ms. Emily Musing:** Thank you. We'd like to highlight that hospital drug supply chains, and subsequently hospital pharmacies, are already subject to a number of rigorous oversight mechanisms, including Accreditation Canada, the Public Hospitals Act and the Excellent Care for All Act. As well, pharmacists and pharmacy technicians throughout Ontario are regulated by the Ontario College of Pharmacists, or OCP.

The OHA believes that OCP oversight should enhance the existing oversight processes over hospital pharmacies, rather than unnecessarily duplicating the existing mechanisms. Any new standards need to also account for the potential infrastructure costs of compliance. It will be important to consider appropriate timelines for requiring compliance with these new standards, especially where infrastructure upgrades are necessary.

We are committed to supporting the successful implementation of OCP's oversight of hospital pharmacies but we are concerned that, like some components of the DPRA itself, current regulations may be inappropriate for hospitals as they were not developed with hospital pharmacies in mind, but rather were targeted at regulating commercial practices in retail pharmacies. In particular, we are concerned with the broad applications of the general regulation 58/11 under the DPRA to hospital pharmacies. As such, we recommend that there be specific amendments made to explicitly exempt hospital pharmacies from these regulations.

Also, as presently drafted, Bill 21 provides the OCP with the full spectrum of regulation-making powers designated for retail pharmacies. The OHA recommends that Bill 21 be amended to specify that the OCP regulation-making powers are limited to those necessary to set standards for hospital pharmacies, and to inspect and accredit hospital pharmacies. We believe that this specification will allow OCP to set up the appropriate safeguards while at the same time limiting duplication of existing oversight mechanisms and preventing conflicting requirements moving forward.

This new oversight model will have profound implications for hospitals in terms of meeting new standards. The OHA is concerned that without a staged approach to implementation or the inclusion of transition provisions, hospital pharmacies may be in violation of the DPRA if Bill 21 were to be proclaimed immediately upon passage of the bill. As the OCP is currently in the process of developing standards, they will have had neither the opportunity to finalize these standards nor the opportunity to inspect and accredit hospital pharmacies prior to proclamation. As currently drafted, there would be a prohibition on the operation of existing hospital pharmacies without valid certifications of accreditation which could cause them to shut down. Once inspected, hospitals may also need time to update their practices and upgrade their infrastructure.

The OHA recommends that the coming-into-force provisions be more clearly articulated so as to avoid the complications mentioned.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Emily Musing:** An alternative to this recommendation would be to allow hospital pharmacies to operate for a period of time that would permit the OCP to inspect and accredit them, and provide hospitals with a sufficient time frame in which to meet the new standards. This would offer all parties involved the ability to better anticipate how the processes would unfold and create



time frames that would respect the significant amount of work that would be required for implementation. The OHA recommends a period of two years.

**Ms. Elizabeth Carlton:** In closing, we also wish to speak briefly to the information-sharing provisions by regulatory colleges in the act. The OHA has advocated for an increased ability for regulatory colleges to share information with hospitals and we are supportive of this aspect of the legislation. But we do have a number of drafting suggestions for the committee's consideration, which we will be providing by way of our written submission.

The OHA and its member hospitals are pleased to have had the opportunity to speak today and we're pleased to answer any questions.

**The Chair (Mr. Peter Tabuns):** Thank you very much. Questions, to the opposition: Ms. Martow.

**Mrs. Gila Martow:** I just wanted to ask if you were consulted, because you raised some very valid concerns about transition, about increased infrastructure costs. Were you consulted in this aspect of the legislation?

**Ms. Elizabeth Carlton:** We were consulted in the very early stages of the drafting, and I have to say we do appreciate that. I think there were a number of provisions that reflect that nature, the collaborative process that was undertaken. But, as I think you can appreciate, there are still some areas for improvement and some measures that we would feel comforted if they were adopted.

**Mrs. Gila Martow:** And do you feel that the new infrastructure that will be needed and the upgrades—do you feel confident that this will make the supply safer? I know you want to comply with the regulation, but do you see a huge benefit in terms of the cost?

**Ms. Emily Musing:** Perhaps I can speak to that. There are very good standards in place that are available for us to measure ourselves against, which OCP is using. Those are best-practice standards. They're not minimum standards; they're best-practice standards. We, as hospitals, want to reach those best practices. For us to do that, however, it requires increased space; it requires capital funding to make that happen. It takes time, even when there is that commitment, to make it happen.

1530

Our concern at this point is more that—I think everyone wants to make things as safe as possible for patients. We want to reach that best practice, rather than just even minimum practice. But the question in our minds is, how do we set up a system, a process, that's sustainable so that we can get to that point in a safe and sustainable way?

**Mr. Bill Walker:** It seems that once again, a one-size approach does not fit all, and had they done proper consultation with your industry and really listened, you could have amended and not duplicated.

I took quite particular interest in your concern that if they put this in very expeditiously, you may have to shut down, which to me would perhaps jeopardize patient safety, which I think is one of our prominent concerns that all of us should be concerned with.

I think you've proposed some practical and rational thought processes. How about we come in and look at what we're doing already? Maybe we're meeting all of the criteria and best practices as it is, and we don't need to be overregulated.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds.

**Mr. Bill Walker:** I think you've done really good homework. I look forward to further recommendations from you. I think what we all need to be doing is looking at that rash—"rational," not "rash"; I wanted to clarify to make sure people were listening—that rational, practical approach and we wouldn't have to revisit these things so often. Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you. Madame Gélinas?

**M<sup>me</sup> France Gélinas:** Thank you for your presentation. I was one of the lucky MPPs—the diluted chemo drugs—and at no place during our review did we see that hospital accreditation would have saved the day. Even if the College of Pharmacists had accredited every single one of those pharmacy departments, we would still have had the diluted chemo drugs. The two are not related.

Did I miss some place? Is there some place that I have missed, where asking the Ontario College of Pharmacists to accredit you would have saved the day?

**Ms. Elizabeth Carlton:** First and foremost, our members appreciated that what this incident did was highlight, maybe, areas where they could be improved in terms of quality and safety. Whether this is sort of the be-all and the end-all, I think, is another question.

I think there are a series of things that enhance safety. As you heard Emily stating, that is uppermost in our members' minds, their interest to do that and to meet new standards, to ensure that there is the highest level within our system.

**Ms. Emily Musing:** I would say the other thing is, to have the college more involved and engaged in inspections and audits and in setting standards, I think, allows for a province-wide standard approach to how we're setting our expectations for safety. I think that can only be a good thing.

I want to just state that even before all this happened, within the hospitals we've had certification processes for individuals to ensure that they knew what they were doing with IV preparation. We have inspections that we make within the hospitals with regard to our sterile compounding rooms. We take samples that get tested each time when we make product. So we've shared a lot of these best practices with OCPs; we've moved forward so that, hopefully, it can be spread throughout all hospitals and to other sectors as well, as we look forward to what needs to be done to ensure that things are safe for our patients.

**Ms. Elizabeth Carlton:** Just to add to that, in our conversations with the OCP—which, again, have been very collaborative and very open—our interest is in ensuring that there's not duplication, so there's alignment between the various standards and we're not trying to

reinvent the wheel. I think they've heard that message, but we want to ensure that moves forward.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**M<sup>me</sup> France Gélinas:** As you know, the bill has been time-allocated. You have until noon Wednesday to bring us your recommendations for amendments. Fully understood—

**The Chair (Mr. Peter Tabuns):** Actually, public submissions are until 6 p.m. tomorrow, and your amendments by noon on Wednesday.

**M<sup>me</sup> France Gélinas:** Oh. You have until tomorrow to bring us your amendments.

We brought this so that it would make it safer. If we end up with hospital pharmacies closing, we've done the exact opposite of what we're trying to do. Bring your recommendations—before tomorrow—so that we can meet the government time allocation schedule.

**The Chair (Mr. Peter Tabuns):** Thank you. The government: Ms. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much for your submission. I just wanted to reiterate that we, too, agreed that we needed to get a better understanding and strengthen our cancer care, so we appointed Dr. Jake Thiessen, and he did come forward with recommendations, many of which are in the report. We endorsed all of his recommendations. I know that Bill 21, if passed, would authorize the College of Pharmacists to inspect, license and set standards for hospital pharmacies. That's to do with patient safety as well. I know that as soon as an underdosing error was found in the past, immediate steps were taken to correct it. So thank you very much for the work that you do as well.

I know that you're generally supportive and looking at recommendations. I understand they're probably already written. You did say that you thought you would need two years to bring in some of the recommendations. Can you just identify what would need to be done to bring that in?

**Ms. Emily Musing:** Perhaps I can start. Hospitals already have in place within the strategic plan and capital planning process a whole variety of priorities that have already been put into place and discussed from the front line to managers to their administration to their boards. So if something is identified through this process, then we would need to figure out a way to give sufficient time so that whatever changes are needed, from an infrastructure or capital planning perspective, can actually be embedded into that process, so that we are not just arbitrarily now taking operating dollars from one area to place into this area without having a full assessment about how that then impacts patient care.

That two-year time gap really is to ensure that things are done in a very thoughtful way so that when we say we need to build a new area for sterile compounding, that is done while we're taking into account what other priorities have already been identified in the hospital.

**Mrs. Kathryn McGarry:** Thank you. My colleague has a question.

**The Chair (Mr. Peter Tabuns):** Mr. Fraser.

**Mr. John Fraser:** Thank you very much for your presentation. My question goes to group buying as it relates to hospital pharmacy. I think that group buying is a good thing. We can find cost savings in it. There were concerns raised about transparency in group buying, and I think some of those will be addressed by Bill 8, which is before the Legislature right now. But as an organization, can you speak to the transparency—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. John Fraser:** —any measures you've taken for transparency in terms of group buying?

**Ms. Elizabeth Carlton:** What we observed from Dr. Thiessen's report was that he found that processes could be improved but that their use should not be discouraged. I think our hospitals rely on them in terms of getting what they need, critical supplies, and stretching their dollars. So for obvious reasons, we focused our examination and our submission on the things that were in the bill that really impact our members, and those were the OCP oversight preventions.

**The Chair (Mr. Peter Tabuns):** Thank you very much. Your time is up.

**Ms. Elizabeth Carlton:** Thank you.

#### COLLEGE OF PHYSIOTHERAPISTS OF ONTARIO

**The Chair (Mr. Peter Tabuns):** The next presentation is the College of Physiotherapists of Ontario. When you're seated, if you could introduce yourselves for Hansard. You have five minutes to speak. I'll give you a warning when you have one minute left.

**Mr. Peter Ruttan:** Thank you. Good afternoon. My name is Peter Ruttan. I am a physiotherapist and the president of the College of Physiotherapists of Ontario. I'm also chair of the college's inquiries, complaints and reports committee. I'm joined by Rod Hamilton, associate registrar of policy, who is a staff person at the college.

I'm pleased to join you here today and express my college's support for the objectives of Bill 21. I should begin by pointing out two important things. First, not all of the changes that Bill 21 would make to the Regulated Health Professions Act have an impact on our college. So while we support the whole bill in principle, I will only mention the changes that will have a direct impact on us or our members.

I would like to point out that you have not received a written submission from our college. We submitted our written comments to the government as a member of the Federation of Regulatory Health Colleges of Ontario. Copies of that submission, dated December 1, 2014, and addressed to Dr. Eric Hoskins, Minister of Health and Long-Term Care, have been provided to you.

Our college has a proven track record for being leaders in transparency. By that, I mean that we have made significant efforts to provide to the public as much information as possible about the processes at our college and about our physiotherapists. Bill 21 goes some distance



towards supporting our efforts in this regard but also falls short in some areas.

Sections 10 and 11 of schedule 2 of the bill, additional exceptions to the confidentiality duty, are an example.

1540

For example, right now, we are not permitted to share information about our investigations of physiotherapists with these members' employers. This means that even if we know that an individual physiotherapist may be incompetent or incapacitated, we can't inform the place where they work. This puts us in a position of knowingly standing by while patients may be at risk.

Bill 21 makes changes that attempt to fix this problem, but it leaves some important things out. The proposed changes will allow colleges to disclose information to hospitals that employ or provide privileges; however, our members work in settings outside of hospitals and often work as contractors. So even with the revisions included in the bill, we would still not be able to disclose information to a long-term-care facility or home care operator about a high-risk physiotherapist. The patients in these settings are among the most vulnerable of all, yet we would remain unable to help protect them in a timely way.

Mandatory reporting, anti-avoidance measures, sections 8 and 17 of schedule 2 of the bill: Another college concern relates to the way the mandatory reporting requirements for employment or privileges can be circumvented. The college believes that employers should be required to make a report to the college whenever a physiotherapist quits or is fired in connection with an investigation. However, at the moment, the proposed changes in the bill will leave the decision about whether to report up to the individual employer.

We think that it would better protect the public if the employer was not required to filter the information in this way. If employers were required to report all such situations to us, we could then investigate and determine whether there is any reason to be concerned. After all, our statute mandate requires us to be experts in investigation as well as guardians of the public interest.

We are aware of situations where physiotherapists have been let go from hospitals, but because of concerns related to employment law issues or their unions, we do not receive a report. We only find out later when these physiotherapists turn up as problems in a new institution.

If employers were held to a high level of transparency and required to make reports in any kind of problematic situation, we could possibly intervene to make certain—

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Peter Ruttan:** —that these physiotherapists got the additional training they needed to ensure the problem was not repeated.

Our proposed amendments: The federation's submission makes detailed suggestions about how to ensure that these small but important barriers to transparency can be addressed. On behalf of the Ontario physiotherapists, I hope you will consider making these amendments to better protect Ontario's public. Thank you.

**The Chair (Mr. Peter Tabuns):** Questions? Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Yes. Thank you so much for coming, Mr. Ruttan, and thank you, Mr. Hamilton. The first question I have is—thank you for your letter dated December 1. If you were here before, you know that you have until tomorrow to give us your recommendations. Are all of the recommendations from the Federation of Health Regulatory Colleges of Ontario supported by your college in the way that they are written there?

**Mr. Peter Ruttan:** Yes, that's correct.

**M<sup>me</sup> France Gélinas:** What would happen if we did not? What would happen if we put those amendments forward and they were defeated? You can take them one at a time. Let's say the regulation about anti-avoidance measures: What do you see happening if we don't make those changes?

**Mr. Rod Hamilton:** As Peter indicated, there's the potential that employers and the people who contract physiotherapists will use their discretion instead of being required to make the reports that we think are necessary. We think that that limits the possibility in some circumstances where we would be aware of people who probably should have been reported. So that discretionary component, we think, is the problem.

**M<sup>me</sup> France Gélinas:** In the language that you have given us, it covers the self-employed, because physiotherapists can be self-employed and become a corporation. So really, the long-term-care home hires the corporation that is—does your language cover this? The physiotherapist is not being employed by the long-term-care home; they are being contracted through a corporation to the long-term-care home.

**Mr. Rod Hamilton:** Our legal counsel suggests that it does capture that.

**M<sup>me</sup> France Gélinas:** It does, eh? To me, it didn't look like it did. Very good.

For the second series of recommendations that you have, what would happen if those amendments were defeated?

**Mr. Rod Hamilton:** If they were defeated?

**M<sup>me</sup> France Gélinas:** Yes.

**Mr. Rod Hamilton:** Again, the concern is simply that we would not receive as many reports as we should, and in those circumstances, the people who are subject to those reports may continue to be able to do things that are inappropriate in their employment situations without us knowing about it.

**M<sup>me</sup> France Gélinas:** Okay, very good. If you want to make any changes, you have until tomorrow. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. To the government: Ms. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much. I understand that you do have a series of amendments. If the bill passed now without the amendments, would that allow the College of Physiotherapists to protect the public, the way it stands now?

**Mr. Rod Hamilton:** Our concern is about circumstances over and above the reports that we will get. We

will get reports as a result of the bill's changes. We are concerned that we may miss reports and we feel that is an unfortunate circumstance, where there is an opportunity for us to get additional reports and to be able to deal with them.

**Mrs. Kathryn McGarry:** Okay. So some of the recommendations that you've been looking at, then, if they were to pass now, would that allow you to protect the member when need be as well as the public safety and find that balance?

**Mr. Rod Hamilton:** The member is always subject to the provisions in the bill that provide them with a fair deal in any kind of discussion of their problems. However, we believe that in this circumstance, it's wise to take an opportunity to look at the options that are there to protect the public still further.

**Mrs. Kathryn McGarry:** Okay. If the bill were passed right now with all the recommendations that you've got, again—

**Mr. Rod Hamilton:** We would be very pleased.

**Mrs. Kathryn McGarry:** Yes. It would protect the physiotherapists as well as the public?

**Mr. Rod Hamilton:** We believe it would.

**Mrs. Kathryn McGarry:** How would it impact the physiotherapists, and would you be able to bring those recommendations forward right away or would you need a time between the passage of the bill and rolling out the new regulations for your profession?

**Mr. Rod Hamilton:** To touch on the process briefly, if we become aware, if we receive a report, then the registrar has the responsibility to make a decision as to whether those concerns are at the level to conduct an immediate investigation, and if they are, then we would be able to conduct an investigation on the basis of that information. We would not need a great deal of time. We already conduct those kinds of investigations. It's a matter of the existing registrar's authority to investigate those kinds of concerns.

**Mrs. Kathryn McGarry:** The way it stands right now, then, if there was a problem with one of the members, what is your reporting procedure like right now to, let's say, the institution—I'll just pick a public hospital. What would—

**Mr. Rod Hamilton:** Right now there isn't. That's the problem.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. Rod Hamilton:** There is no opportunity for us to make reports to the facility. We don't have the authority to disclose information.

**Mrs. Kathryn McGarry:** Would you recommend that you do have the ability to disclose if that particular member would be putting public safety at risk?

**Mr. Rod Hamilton:** We think that would be much safer for patients.

**Mrs. Kathryn McGarry:** Okay. I appreciate that. Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you. To the opposition: Mr. Walker.

**Mr. Bill Walker:** Thank you. I note that you also wrote a letter on May 2 to the former bill, Bill 117. The same recommendations applied?

**Mr. Rod Hamilton:** Yes.

**Mr. Bill Walker:** Can you share with us if any of those were accepted by the minister of the day?

**Mr. Rod Hamilton:** I'm afraid that I don't know that because that bill never moved forward, as far as I know.

**Mr. Bill Walker:** Okay. Did you receive feedback? Did you receive a reply to that letter?

**Mr. Rod Hamilton:** The federation actually wrote the letter. We did not ourselves write that letter.

**Mr. Bill Walker:** And are you aware if the federation received a reply from the minister at that time?

**Mr. Rod Hamilton:** I am not aware that they did.

**Mr. Bill Walker:** Thank you very much. It seems one of the first points that you made—there is a period currently of 150 days, and this will now extend the process if it actually becomes legislation. Is there any evidence suggesting the current timeline does not work sufficiently?

**Mr. Rod Hamilton:** I think that if you looked at the colleges as a whole, some colleges do find it challenging, and again this letter is from the colleges as a whole. I think some colleges do find it challenging to meet the statutory timelines because of the intervals that are required by the statute.

**Mr. Bill Walker:** So you're in favour of extending it?

**Mr. Rod Hamilton:** I think that, yes, we are.

**Mr. Bill Walker:** Okay, thank you. I just wanted to clarify.

The other point in here is that a lot of the mandatory reporting and anti-avoidance measures you've referenced and a lot of the provisions rely on subjective belief of the hospital administrator rather than also relying on objective events. Obviously that's very discerning. If we're leaving this up to interpretation, one of the things that I think we should all be striving for is to ensure that there is black and white in our regulations so it's not open to interpretation. Then we don't have to go through a lot of frivolous exercise to go back and forth of he said, she said, my interpretation. I certainly value that input and your recommendation for that item.

The other one you talk about is in relation to exceptions 36(1)(d.1) and 36(1)(d.2) that directly permit colleges to disclose otherwise confidential information to public hospitals that employ or provide privilege to a member of a college.

1550

Why do you believe or can you just share with me a little bit why this would not be consistent? Why would they not stick with the exact same language they would use in other regulations?

**Mr. Rod Hamilton:** I'm sorry, I don't quite understand your question.

**Mr. Bill Walker:** You're saying you are concerned that those new exemptions permit colleges to disclose otherwise. Why would they not use—I mean, there must be—



**Mr. Rod Hamilton:** We're not concerned about the implementation of the new exemptions. We're concerned that they don't quite go far enough in terms of capturing other facilities beyond hospitals themselves.

**Mr. Bill Walker:** Okay. Thank you for the point of clarification.

**The Chair (Mr. Peter Tabuns):** Thirty seconds remaining.

**Mrs. Gila Martow:** What centres are you concerned about it not covering? Seniors' centres or—

**Mr. Rod Hamilton:** For example, in physiotherapy, long-term-care facilities and long-term-care providers who work in the community wouldn't be covered by the existing requirements.

**Mrs. Gila Martow:** Okay. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

#### NETWORK OF RARE BLOOD DISORDER ORGANIZATIONS

**The Chair (Mr. Peter Tabuns):** Our next presenter, then: Network of Rare Blood Disorder Organizations. Welcome, sir.

**Dr. Tom Alloway:** Thank you for inviting me.

**The Chair (Mr. Peter Tabuns):** A pleasure. If you could introduce yourself to Hansard, you'll have five minutes to speak. I'll warn you when you have a minute left.

**Dr. Tom Alloway:** I'm Tom Alloway. I'm the spokesperson for the Network of Rare Blood Disorder Organizations for the purpose of coming here today.

The Network of Rare Blood Disorder Organizations is a coalition of organizations that represent patients who are living with several different blood disorders. A list of those organizations is in the information I handed to you. These organizations seek to develop and advocate for best practices in health care delivery for people with blood disorders, many of which require treatment with blood, blood products or their alternatives. The member organizations believe that their voices can be more effectively heard if they coordinate their work and advocacy to secure and maintain patient access to the kind of medical care that empowers patients to live lives that are as normal as possible.

At the present time, thousands of Canadians with chronic hematologic and immune-system disorders rely on plasma-derived products to maintain their health and keep them alive, and most of the plasma used to manufacture these products comes from paid donors in the United States. A list of the plasma-derived medical products that are from paid donors is in your handout. Of the 30 plasma-derived products distributed by Canadian Blood Services, only one is produced wholly from unpaid donors; 27 are produced solely from plasma from paid US donors; two—immune globulin and albumin—are produced from a combination of both sources. Some 70% of the plasma required for these two products is produced from compensated US donors.

We submit that paying Ontarians is no more or less ethical than paying Americans, as we do today for most of the plasma-derived products used in Ontario and across Canada.

The members of the NRBDO have paid close attention to blood safety and supply issues over the last decade. In 2010 and 2011, the NRBDO endorsed the Dublin Consensus Statements, which are attached, which recognized the use of payment for blood and plasma donation and acknowledged valid roles for both paid and unpaid donation systems. In 2014, the member organizations of the NRBDO supported a background document and a policy developed by the Canadian Hemophilia Society—those are also attached—that similarly acknowledge the role of both paid and unpaid donation systems for producing an adequate supply of plasma for the manufacture of medicinal products. The NRBDO, therefore, believes that Bill 21, by forbidding payment for plasma donation, fails to promote the best interests of patients who need plasma-derived medical products.

Decisions on licensing individual plasma collection centres are the responsibility of Health Canada, based on the strictest industry and regulatory standards. While the collection and provision of fresh blood components is a national problem, the manufacture and provision of plasma-derived medicinal products is a global issue. Decisions on such an issue must be made based on up-to-date safety and supply data, not misconceptions that date from the 1970s and 1980s.

Those who oppose paying donors do so, we think, mainly on the basis of two arguments. First, blood from paid donors was an important source of products contaminated with HIV and other viruses and led to the tainted blood scandal of the 1980s, and second, payment for blood donation might endanger the viability of our current system of unpaid donations.

**The Chair (Mr. Peter Tabuns):** One minute left.

**Dr. Tom Alloway:** With respect to the first argument, we note that a number of important changes have occurred, and the safety issues that were raised by Justice Krever are, to a large extent, no longer applicable.

With respect to the second argument, we note that implementation of a paid-donor system in the United States and other countries has not prevented the maintenance of unpaid donor systems. We don't think it would interfere with CBS's unpaid-donor system in Canada, but it would have to be closely watched if a paid-donor system was introduced in Canada.

For the reasons outlined, the NRBDO opposes, I should say, those portions of Bill 21 that forbid the payment of donors in Ontario. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much, sir. Mr. Fraser.

**Mr. John Fraser:** Thank you very much, Mr. Chair, and thank you, Mr. Alloway, for your presentation. My first question relates to this: One of the recommendations from the Krever commission was a single operator for Canada's blood system, as well as a voluntary blood system. Can you comment on whether you support a single operator for Canada's blood system?

**Dr. Tom Alloway:** A single operator, we support. But a single operator would not be, in our estimation, compromised if we also had a paid-donor system that produced products that that single operator then purchased, as they now purchase the products from the United States.

**Mr. John Fraser:** Okay. We heard earlier today from Mr. Sher from Canadian Blood Services that there are no issues with regard to the supply of plasma protein products. We also heard from Mr. Krause from Therapure that the US is in a surplus of plasma protein. We also heard from Mr. Sher about the situation in the UK where their blood system, which was unique to the UK, became compromised because of a blood-borne disease and put them in a position of from self-sufficiency to not self-sufficiency.

My question relates directly to whether you think the right thing to do is to have mixed suppliers in a blood system that is managed by a single operator.

**Dr. Tom Alloway:** The short answer to that is yes.

**Mr. John Fraser:** All right. Thank you very much. Anybody else have any questions?

**The Chair (Mr. Peter Tabuns):** Mrs. McGarry?

**Mrs. Kathryn McGarry:** I've been a nurse for many, many years and have always needed to give transfusions and plasma products in the course of my work, both in pediatrics, emergency and intensive care units. None of the times that I needed those products were we short. It may be that we needed to wait a little longer for some of the blood that was of a special type or antibodies, but we've never had a situation that I've been working in that there was a shortage.

The Krever commission was very clear that we go to one company or one agency that does all the blood supply in Canada. I'm just wondering why you think it's still a good idea to have a second paid agency.

**Dr. Tom Alloway:** A couple of reasons: One of them is, we are already using a lot of products from paid donors in the United States and—

**The Chair (Mr. Peter Tabuns):** Thirty seconds remaining.

**Dr. Tom Alloway:** —very frankly, we don't see why we should be paying Americans to donate blood when we could be paying Canadians.

The second thing is, we don't think that the CBS system of unpaid donation is going to be seriously compromised by having a mixed system. We certainly are not proposing that a second supplier of products to people be introduced. CBS should continue—

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Alloway. We need to go to the opposition: Ms. Martow.

**Mrs. Gila Martow:** Thank you very much for your presentation. I like the fact that you're hammering home the hypocrisy that we are purchasing some products from the United States, where they are paying people. I found it very interesting that you said that you don't think that—

**Dr. Tom Alloway:** I don't necessarily think it's hypocrisy; more like sanctimoniousness. Sanctimoniousness rather than hypocrisy—we are practising what we preach.

**Mrs. Gila Martow:** Well, in a way we are and in a way, we aren't. When you said that you don't believe that having the two systems existing side by side would—what I'm hearing from some people in the room is that, somehow, if we start to pay people for plasma product specifically, all of a sudden people will stop donating. That's like suggesting that when the government steps in with social services agencies, charities will not be feasible anymore, and we know that's not true.

1600

Do you feel that there's a lack of public awareness of the difference between donating blood and then donating for plasma purposes?

**Dr. Tom Alloway:** Yes, I think there is serious ignorance about that. There's a lot of ignorance about the blood system, but I think that's a very serious one, yes.

**Mrs. Gila Martow:** Yes, that's what I'm feeling from all of this: that it's really two very separate issues that are being thrown in together.

**Dr. Tom Alloway:** Yes.

**Mr. Bill Walker:** Thank you very much. I just want to expand a little bit. You referenced the Dublin Consensus Statements. For those who may be listening at home or reading this later, I just want to clarify that there were some pretty interesting people at that conference: the International Federation of Blood Donor Organizations, the National Blood Authority of Australia, the International Plasma Fractionation Association and the International Society of Blood Transfusion. They're all suggesting that there is no evidence that proves that paid or unpaid will have any harm to our voluntary system.

**Dr. Tom Alloway:** That's right, sir.

**Mr. Bill Walker:** So it really is interesting. "The NRBDO, therefore, believes that Bill 21, by forbidding payment for plasma donation, fails to promote the best interests of patients"—whom we're all here to serve—"who need plasma-derived medical products."

We're hearing that fairly consistently. Dr. Sher, from Canadian Blood Services, certainly pointed that out. I think there is an ability for them to coexist. My colleague Mrs. McGarry just made a reference that, in her experience, it's never happened that they haven't had that blood. I'm certain that she doesn't want to be the person on the floor the first time that ever happens. Why would we not look at regulation that's going to allow us to be prepared—

**The Chair (Mr. Peter Tabuns):** Thirty seconds

**Mr. Bill Walker:** —for the eventuality? We know that there's looming concern coming. We know that the trend is going upward of the amount that we need. We have to pay at times now to get it through the States. So I support your opposition to this bill.

**Dr. Tom Alloway:** Thank you.

**The Chair (Mr. Peter Tabuns):** Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Thank you for coming to Queen's Park. My first question: What is the relationship of your organization with Canadian Blood Services, if any?



**Dr. Tom Alloway:** Well, Canadian Blood Services operates liaison committees. Many of the organizations that belong to NRBDO send representatives to the national and regional liaison committees of CBS. I'm a member of the national liaison committee. I'm certainly a supporter of CBS. I don't think we are proposing to harm CBS in any way, or, for that matter, Héma-Québec.

**M<sup>me</sup> France Gélinas:** Thank you. You were here earlier on when the CEO of Canadian Blood Services was telling us that they're looking at new business models moving forward to be more self-sufficient. Are you confident that Canadian Blood Services can carry this out?

**Dr. Tom Alloway:** We don't know what that new business model is. I will be very interested to see it. I can't comment on a model I've never seen.

**M<sup>me</sup> France Gélinas:** But from the relationship that you have with Canadian Blood Services, do you find them competent? Do you find that they need to do things better?

**Dr. Tom Alloway:** Oh, yes. Yes, absolutely. They are among the good guys of this world for sure.

**M<sup>me</sup> France Gélinas:** Good to know. Is there a list of naughty guys on the other side?

**Dr. Tom Alloway:** Dr. Sher, I'm sure, is happy to hear.

**The Chair (Mr. Peter Tabuns):** He was very happy to hear.

**M<sup>me</sup> France Gélinas:** So from what you're telling me, if we give Canadian Blood Services the time to put forward a new business model that I haven't seen either—I told them that I'm looking forward to seeing it. But your experience working with them is that they could be competent moving forward with a new business model that would change things and change the number of donations, the security—and I would throw in supportability—

**Dr. Tom Alloway:** Frankly, I would be surprised if they will be able to collect enough blood and blood product and plasma through the voluntary system to meet the complete plasma needs for manufacturing products in Canada, in a cost-effective way.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Dr. Tom Alloway:** Maybe they will. We'll see.

**M<sup>me</sup> France Gélinas:** Do you know of a company that would be able to do that?

**Dr. Tom Alloway:** Well, there certainly was a company that was proposing to set up some paid plasma centres in Ontario, but I gather from what I read in the papers that they've decided to take their business elsewhere.

**M<sup>me</sup> France Gélinas:** What did that company have that CBS does not have?

**The Chair (Mr. Peter Tabuns):** I'm afraid you may never get to answer that question in this format because your time—

**Dr. Tom Alloway:** Yes, I think you're right. I wouldn't know.

**The Chair (Mr. Peter Tabuns):** We have to go to the next presenter. Thank you very much, Mr. Alloway.

**Dr. Tom Alloway:** Thank you.

MR. GEOFF KETTEL

**The Chair (Mr. Peter Tabuns):** Geoff Kettel: Geoff, come on down. If you would introduce yourself for Hansard. You have five minutes. I will give you a one-minute warning.

**Mr. Geoff Kettel:** Greetings from Don Valley West, Peter.

**The Chair (Mr. Peter Tabuns):** Thank you very much, Geoff. Good to see you here.

**Mr. Geoff Kettel:** My name is Geoff Kettel. It's good to be here, Mr. Tabuns—Chair—and members of the committee. I am honoured to speak in support of the Voluntary Blood Donations Act under Bill 21—just that piece of the whole thing.

Why am I here? What's my background on this file? I'm not a consumer; I'm a donor. I am a regular blood donor, having donated 166 units to date over the past 48 years.

But I also have some experience in blood administration. I am a former senior manager in the Ontario public service with over 30 years' service, retiring from the Ministry of Health and Long-Term Care in 2008.

From 1998 to 2002, I was responsible for liaison with CBS. I was responsible for Ontario's blood and hepatitis C policy and oversaw a budget of about \$1 billion. I was the Ontario government representative at the Canadian Blood Services in the period immediately following its establishment as a provincial/territorial funded organization with a mandate to manage blood donation, processing and distribution in Canada, except in Quebec.

I am therefore very aware of the tainted blood crisis. People around the ministry at that time were involved. I'm aware of the personal suffering of so many families touched by this preventable crisis. I agree with the thousands of victims that this cannot be allowed to happen again.

Why am I in support of Bill 21? I feel strongly that nothing should be allowed to undermine the viability of Canada's voluntary blood supply. The operation of for-profit plasma clinics in Ontario and payment for blood donation risks affecting the voluntary donor base. In addition, it clearly runs counter to the key findings and recommendations of the Krever report, which was written in response to the tainted blood crisis.

In his report, Justice Horace Krever was very specific in outlining the key principles by which the Canadian blood supply should be managed:

—blood is a public resource;

—donors should not be paid;

—sufficient blood should be collected so that importation from other countries is unnecessary;

—access to blood and blood products should be free and universal; and

—the safety of the blood supply is paramount.

I believe it is critical that you as legislators do your utmost to uphold Ontario's precautionary-principle-based

policy in this area and take all necessary and appropriate legislative and policy steps, including not granting licences for for-profit plasma clinics, to ensure that the long-term viability and security of Ontario's blood supply is safeguarded for future generations.

I would be happy to address any questions.

**The Chair (Mr. Peter Tabuns):** Thank you very much. The questions go first to the opposition. Mr. Walker.

**Mr. Bill Walker:** Thank you for your submission. Again, I relate back to the Dublin commission that the last speaker provided information on. Can you provide any evidence-based research to prove a paid system will jeopardize the voluntary system?

**Mr. Geoff Kettel:** The whole structure of the blood collection system is based on trying to minimize risks. That's why there's an exhaustive system of questions. You come in and your identity is checked. You go through an exhaustive list of very personal, intimidating questions, and then you go through that with the nurse. The whole thing is around trying to protect the supply.

I was walking around downtown a few months ago on Adelaide Street. Canadian Plasma Resources was right there next to Sherbourne Street. I was horrified. It's pretty obvious what the game is here. Precaution means that you don't try to collect blood from those who are most at risk of having issues.

1610

**Mr. Bill Walker:** So I'm asking you again: Is there any evidence, other than your own personal conjecture, that this will result in a program that will be jeopardized?

**Mr. Geoff Kettel:** What I'm talking about is, we should, as government, be operating on a precautionary-based principle. Sure, I'm not the expert. Bring the experts into the room. My background is in public policy, and I'm telling you that from a public policy perspective, we should be operating from a precautionary-based principle.

**Mr. Bill Walker:** Canadian Blood Services' Dr. Sher suggested that he believes two systems can coexist and that will serve the people best. We certainly have the Dublin commission. We have a group, the Canadian Immunodeficiencies Patient Organization, that has strongly suggested they can coexist. So from a public policy perspective, I think what we're hearing today is that we need both, to be able to continually serve the best interests of our patients and our people across this great province.

I guess I'd want to ask you—you're very passionate and I respect that fully. As a consumer, would you decline blood or medicine that has utilized paid plasma protein donations to create that—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Geoff Kettel:** I'm not a consumer.

**Mr. Bill Walker:** Well, you may be. Okay, I'll go the other way. If a loved one has dementia, for which we're using blood protein plasma now to try to create a cure, would you turn that down?

**Mr. Geoff Kettel:** No, I'll go back to your original point. The point is, I agree: It is, frankly, an unbalanced

system. I think I heard Dr. Sher say it was still 30% based on source and blood plasma. But I also heard him say that he was willing to entertain a business case to raise that percentage, to have plasma clinics which are stand-alone clinics—

**The Chair (Mr. Peter Tabuns):** Your three minutes are up, I'm afraid. We go to the next: Madame Gélinas?

**Mr. Geoff Kettel:** —and clearly, that's the way we should be going. It may never reach 100%, but we heard the point about—

**The Chair (Mr. Peter Tabuns):** Geoff, I'm afraid your time was up for that question. We have to go to the next question.

**M<sup>me</sup> France Gélinas:** It goes in three-minute blocks. My first question to you is, you were in a pretty interesting position to look at the relationship between the Ontario government and Canadian Blood Services. Would you say, now that you don't work for them anymore, that Ontario is getting value for money for the \$1 billion or so that we invest in Canadian Blood Services?

**Mr. Geoff Kettel:** I can't comment on value for money. The comment before was that these are the good guys; I would certainly agree with that. I've always had high admiration for Canadian Blood Services, ever since I started working with them.

**M<sup>me</sup> France Gélinas:** Earlier in the day, I talked about some of the collection centres that had closed, and some of the changes. Were those things that you were aware of and that you supported at the time?

**Mr. Geoff Kettel:** They're very recent. I believe the Thunder Bay one was very recent. I can't recall now the details, but there was some experimentation. I certainly hope that we can go back and increase the number of plasmapheresis clinics, stand-alone or as part of a regular whole-blood system.

I read an article in the New York Times a couple of months ago that said that the need for whole blood is actually decreasing, because of keyhole surgery and improvements in the surgery system. So maybe we need a more complex blood system: We already have platelets and whole blood, and let's expand in the plasma area.

**M<sup>me</sup> France Gélinas:** You've worked in hepatitis C policy and blood. From all those years of working, have you ever come up to someone who can guarantee you that our blood system is going to be safe forever?

**Mr. Geoff Kettel:** No, clearly not.

**M<sup>me</sup> France Gélinas:** So how do you ensure safety? How do you build safety?

**Mr. Geoff Kettel:** As I said before, you build safety based on the precautionary principle, by starting off with as clean a person as possible, and then by going through the stages of analysis. Then, of course, you have the mechanical systems—

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. Geoff Kettel:** —of the actual process itself, the fractionation and so on, and the testing of the blood.

**M<sup>me</sup> France Gélinas:** Did Ontario ever consider having some of this mechanical fractionation further here



in Ontario, or will we forever send it to the States and to Europe?

**Mr. Geoff Kettel:** That question has been raised on many occasions. I believe that CBS has always responded that it wasn't practical. Clearly, from a made-in-Ontario, made-in-Canada position, we want to see that.

**The Chair (Mr. Peter Tabuns):** I'm afraid to say your three minutes with this questioner have ended, and I go to the next. The government: Mr. Anderson.

**Mr. Granville Anderson:** Thank you, Mr. Kettel, for coming forward and for your support and ongoing advocacy on this issue. I can hear from the passion in your voice that you are very, very committed to this. I wish more people would be like you.

You have been a champion of voluntary blood donation. In your opinion, what is the value of having a single national body responsible for blood collection in Canada?

**Mr. Geoff Kettel:** What Canada did back in the 1990s was absolutely appropriate and the right thing.

**Mr. Granville Anderson:** Can you explain to us why it is so important to safeguard the integrity of the voluntary blood donation system in Canada and why this legislation is so important to pass quickly?

**Mr. Geoff Kettel:** I think I've kind of already answered that. I think it's the precautionary principle that applies here. We want to increase the use of blood plasma from source and avoid the use of plasma which is derived from a payment system.

**Mr. Granville Anderson:** I believe you've answered this somehow: Why is the passage of Bill 21 so important to you? I know you have elaborated considerably on this, but I know you're speaking from a relative position of the safety of the blood.

**Mr. Geoff Kettel:** Frankly, there has been a lot of ambiguity. As I said, during the summer, walking downtown, I was quite surprised to see this clinic. I investigated and found out that there was this move afoot. In fact, I wrote to my MPP, who is the Premier, and said that I had concerns about this and would hope to see movement on this file. I'm very pleased to see that the legislation was reintroduced, and I do hope it's passed with proper review. But I would like to see it passed as soon as possible.

**Mr. Granville Anderson:** I believe my colleague, Ms. McGarry, has a follow-up question for you.

**Mrs. Kathryn McGarry:** As a nurse in the old days, 30 years ago, before universal precautions came in, we as nurses were also a little afraid of what our practice used to be like in terms of giving and administering possibly contaminated blood products.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mrs. Kathryn McGarry:** The safety of not only the staff but also the patients was certainly of utmost value to us, looking back. I had a child who had received blood products there.

I just want you to comment again about the source and the concern that you had with this clinic next door to the Sherbourne Street area.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say this, but you've hit your 30 seconds.

Geoff, thank you very much; good to have you here today.

**Mr. Geoff Kettel:** Thanks, Peter.

#### MEDAVAIL TECHNOLOGIES INC.

**The Chair (Mr. Peter Tabuns):** Our next presenter: MedAvail Technologies Inc. Sir, if you would introduce yourself. You will have five minutes to speak, and then we will have three minutes, in rotation, with each party for questions.

**Mr. Sunny Lalli:** I'm Sunny Lalli. I am the director of pharmacy and regulatory affairs at MedAvail Technologies.

Mr. Chairman, members of the Standing Committee on Social Policy, good afternoon, everyone. My name is Sunny Lalli. I am the director of pharmacy and regulatory affairs for MedAvail Technologies Inc. I am also a member of the College of Pharmacists of Ontario. I would like to take this opportunity to thank the committee for the opportunity to comment today on Bill 21, the Safeguarding Health Care Integrity Act, 2014.

MedAvail Technologies is an Ontario-based privately funded health care technology solution provider that is commercializing a patient-facing, pharmacist-controlled automated remote dispensing system that can be deployed by any pharmacy in multiple patient care scenarios both in the province of Ontario and elsewhere. MedAvail is headquartered in Mississauga, Ontario, and currently employs over 100 Ontarians in its Mississauga headquarters. We also have a smaller team in the US.

MedAvail's patient-facing automated pharmacy system allows a patient to connect live via a two-way audio-video connection to a pharmacist who will review the patient's prescription and use their judgment and accountability to dispense medications directly to the patient at the point of prescribing—think hospital or doctor's clinic—or various other deployment scenarios such as northern Ontario and also underserved communities closer to home. We could service the homeless. We could service community health centres, subsidized housing, shelters or retirement homes—anywhere access to a trained professional pharmacist can improve the outcomes for people.

1620

In 2010, MedAvail's predecessor, PCAS, Patient Care Automation Services, worked closely with the Ministry of Health and Long-Term Care in helping to shape the current regulations under part IV of the general regulation to the Drug and Pharmacies Regulation Act that governs remote dispensing locations today. The current regulations prohibit the dispensing of narcotic or controlled medications from a remote dispensing location, which is inconsistent with the desire of the government to see the widest deployment of remote dispensing locations across the province where appropriate security is in place.

MedAvail believes that this remote dispensing solution is key to providing timely and expanded access to pharmacy services, which will lead to increased utilization of pharmacy and ultimately better health outcomes for patients, resulting in lower costs to the health care system overall.

I'd now like to comment on the aspect of how the proposed amendments to the Drug and Pharmacies Regulation Act that are in schedule 2 of the bill have the potential to impact adversely the deployment of a remote dispensing solution offered by MedAvail or other providers of automated pharmacy systems.

To begin with, MedAvail supports the objective of bringing unified oversight of hospital, health and custodial institutions, and community pharmacy practice under the Ontario College of Pharmacists. As a member of the college, I have first-hand experience with the high standards that the college has established for the practice of pharmacy in Ontario. In my experience as director of pharmacy and regulatory affairs for MedAvail, I have found the college to be helpful and responsive when I have had questions regarding current requirements for remote dispensing locations or have needed to discuss matters with them.

However, we are here this afternoon to draw your attention to an issue that will need to be addressed by way of legislative amendment or regulation changes once the proposed amendments in Bill 21 of the DPRA are passed into law. Currently, as you know, pharmacy practice in hospital, health and custodial institutions is exempt from the application of certain provisions of the DPRA and therefore not subject to oversight by the college. As a result, the current DPRA regulations that govern remote dispensing locations do not currently apply to pharmacy practice in hospital, health and custodial institutions.

Once Bill 21 is passed into law, the regulations regarding remote dispensing will also apply to pharmacy practice in hospital, health and custodial institutions, including the prohibition against dispensing narcotics and controlled medications from a remote dispensing location.

While a prohibition against the dispensing of narcotics and controlled medications from a remote dispensing location outside of a hospital, health or custodial institution is perhaps justified by security and other related concerns, there's no such rationale for extending this prohibition to remote dispensing locations in hospitals—for example, emergency rooms or surgical sites—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Sunny Lalli:** Right—for example, emergency rooms or surgical sites, where the use of narcotics or controlled medications is an essential requirement of care.

I'd also like to point out that similar remote dispensing technologies, such as the MedCenter, have been used to dispense narcotics and controlled substances to patients in emergency rooms and an orthopedic surgery site for close to three years without issue or error.

MedAvail is here today to draw the attention of the committee and seek their support in the company's efforts to ensure that either legislatively or ultimately by way of regulation change, remote dispensing locations in hospitals continue to be able to dispense narcotic and controlled medications while still meeting all of the requirements that are currently in place for community pharmacies, such as the presentation of identification.

MedAvail looks forward to continuing to work with the Ministry of Health and Long-Term Care, the OCP and the Legislature as Bill 21 moves forward. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. We go to Madame Gélinas.

**M<sup>me</sup> France Gélinas:** I take it you had a look at Bill 21. Did you see any opportunity in Bill 21 to bring such changes forward?

**Mr. Sunny Lalli:** Our current concern is that the regulations would apply, similar to hospital pharmacies and similar to the concerns that the OHA had: that the community regulation, 58/11, would apply to all hospital, health and custodial institutions as well. Our concern there was that, in the 58/11 rules, there isn't an opportunity to dispense narcotic and controlled medications to patients who need it. In particular, we're concerned about that specifically being applied to remote dispensing locations in controlled and secure environments like a hospital, health or custodial institution.

**M<sup>me</sup> France Gélinas:** Okay. So, in Bill 21, the only reference to pharmacy or dispensing has to do with: They will now be subject to the College of Pharmacists regulations. Is there a link between what Bill 21 is trying to achieve—will it have an impact on your dispensing machine?

**Mr. Sunny Lalli:** Yes, it certainly will. In the Ontario College of Pharmacists regulation 58/11, which governs community pharmacy, there is a prohibition on dispensing narcotic and controlled substances from a remote dispensing location. So our argument is that because we were operating in hospitals or there were remote dispensing systems in hospitals before, dispensing narcotics to patients safely and effectively and in a controlled manner, that prohibition not be extended to hospital, health and custodial institutions. So it's specifically stated, yes.

**M<sup>me</sup> France Gélinas:** So you're afraid that a practice that is taking place in Ontario right now in a safe way is going to have to cease and desist if we pass Bill 21?

**Mr. Sunny Lalli:** That is a concern of ours.

**M<sup>me</sup> France Gélinas:** What would need to be amended in the bill in order for this not to happen?

**Mr. Sunny Lalli:** We could provide our specific amendments by tomorrow at 6 p.m., as was clarified earlier, but it would specifically be about an amendment saying it does not apply in a hospital, health or custodial institution. It's a specific part of the regulation that states that narcotic and controlled substances cannot be dispensed at a remote dispensing location.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**M<sup>me</sup> France Gélinas:** You said hospitals. What are the other two?



**Mr. Sunny Lalli:** Health or custodial institutions.

**M<sup>me</sup> France G  linas:** What are those?

**Mr. Sunny Lalli:** Think of a community care centre, a long-term health care centre, centres like that, government-run.

**M<sup>me</sup> France G  linas:** Okay. I would have issues with any centres that do not operate 24/7; I mean, a nurse practitioner-led clinic or nursing station and those kinds don't have security 24/7—

**The Chair (Mr. Peter Tabuns):** Your time is up, I'm afraid.

**M<sup>me</sup> France G  linas:** Okay.

**The Chair (Mr. John Fraser):** To the government. Mr. Fraser.

**Mr. John Fraser:** Thank you very much for your presentation. Just in the way of background, how many locations do you have in terms of—

**Mr. Sunny Lalli:** Currently, MedAvail is a technology company. Our predecessor, PCAS Patient Care Automation Services, had about 16 sites out in the community, and they had a few in hospital emergency rooms as well as a surgical centre. Those systems were taken out of the market, and then MedAvail basically formed and took over the IP and all the assets of PCAS Patient Care Automation Services. They are now looking to deploy in Ontario with pharmacy partners.

**Mr. John Fraser:** Okay. That's great. I can see the remote applications and also the concerns with narcotics in those and that security is a fairly significant and serious concern. Do you think that the Ontario College of Pharmacists should be regulating hospital pharmacies?

**Mr. Sunny Lalli:** Just as a general statement, and not specifically talking about—

**Mr. John Fraser:** Yes.

**Mr. Sunny Lalli:** As we said in the statement, we are really supportive of the college and their oversight. I've worked closely with them in terms of the deployment of the remote dispensing locations, and I find them to be very fair and very even-handed. I believe I do agree with the OCP having oversight over hospital pharmacies. We just see this as an unintended consequence of the regulation. We did dispense narcotics and controlled medications to patients who needed them directly in the locations where they needed them in a timely manner.

**Mr. John Fraser:** Now, this is something that can be done by regulation. So the Ontario College of Pharmacists will be responsible for bringing regulations directly related to hospital pharmacies. Have you had any discussions with them? Have you brought forward this concern directly to the OCP?

**Mr. Sunny Lalli:** We plan to do that. We were working with members of the Legislature, and as soon as we're done with that, we will be speaking to the Ontario College of Pharmacists as well.

**Mr. John Fraser:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** Other questions from the government? Mrs. McGarry?

**Mrs. Kathryn McGarry:** Just a quick question regarding part of—I think it's schedule 2. Just looking at

the different reporting mechanisms that we're looking at from both the regulated health colleges and some of the public institutions, such as hospitals, do you feel that increased oversight would assist in protecting public safety?

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Sunny Lalli:** I certainly do. I think the key is communication. The key is being very, very open in the way it's implemented with respect to the specific remote dispensing locations as well. I absolutely think that oversight is important. I absolutely think that working in a regulated environment is key, but I also wanted to raise concerns that our focus and the entire focus of remote dispensing technology—

**The Chair (Mr. Peter Tabuns):** Thank you. Your three minutes with the government are finished.

**Mr. Sunny Lalli:** Sure.

**The Chair (Mr. Peter Tabuns):** We'll go to the opposition.

1630

**Mrs. Gila Martow:** Thank you. I hope that what you're saying is that you have been consulted on possible problems. Is that what you said? Have you been speaking to the government about your concerns?

**Mr. Sunny Lalli:** We've raised our concerns. Have we specifically been approached? No, but we have done the approaching.

**Mrs. Gila Martow:** Okay, great. You keep bringing up "remote," and I think it's hard for us, when we're sitting here in downtown Toronto, to realize how spread out this province is and how difficult it is to offer perfect service everywhere in the far corners. So it becomes a balance, a little bit, and I think that's the challenge.

What do you sort of see as amendments that would have to take place for you to feel comfortable?

**Mr. Sunny Lalli:** We are very comfortable with the way the college regulates the remote dispensing locations today. As I was alluding to earlier, there was a specific amendment that prohibits the dispensing of narcotic and controlled medications in community settings, for example. But, in a hospital, health or custodial institution—a hospital, for example—I would like those sites to be able to dispense narcotic and controlled medications. It's very simple.

We do talk about access being a remote issue only, but there are populations closer to home. Think after-hours; think stigmatized populations. Access is an issue that's not limited to geography, and I just want to raise that as well.

**Mrs. Gila Martow:** Okay. I agree that access is very important and it isn't just geography. You're absolutely correct.

**Mr. Sunny Lalli:** Thank you.

**Mr. Bill Walker:** I don't think you really have to go to northern Ontario, necessarily, to see the concerns that would be there. In the great riding of Bruce-Grey-Owen Sound, which is only a couple of hours north of Toronto, we've already had two snow days that closed roads. Some of this would allow those patients to receive their

meds in a timely, convenient manner. I certainly applaud you for that, and I find it interesting that we currently prohibit that. We need to move forward.

The other question I wanted to ask: Are you able to share with us any other type of jurisdiction, whether it be in Canada or the States or across the world, that has this type of technology that's being used currently?

**Mr. Sunny Lalli:** Absolutely. Our specific technology is deployed in Illinois right now. In the US, there are some states that have regulations friendly to remote dispensing. It's typically regulated as telepharmacy. In British Columbia they do have telepharmacy rules on the books—nothing that allows an automated pharmacy system yet, but we're hoping that the British Columbia government will come around, or the college.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Bill Walker:** Well, I'd like to suggest to you that I'd prefer that Ontario be the first to do that, so that we're actually leading the curve rather than always chasing another province that can deem it to be good enough for their residents.

**Mr. Sunny Lalli:** Absolutely, and they have been the leader in Ontario and certainly in North America, in a lot of ways. There are other jurisdictions in the US that by waiver or variance with the specific pharmacy boards—

**Mr. Bill Walker:** Any issues with Illinois? Have they had any real negative implications?

**Mr. Sunny Lalli:** None at all. It has been very positive. We're in a hospital there as well as a remote employer site and a health clinic.

**Mr. Bill Walker:** Thank you very much.

**Mr. Sunny Lalli:** Thank you.

#### DR. ANTONIA SWANN

**The Chair (Mr. Peter Tabuns):** Our next presenter is Antonia Swann. Welcome. If you'd introduce yourself—I think you've seen a few cycles of this.

**Dr. Antonia Swann:** I have. Thank you very much. Hi, I'm Dr. Antonia Swann—I'm otherwise known as Smudge.

Good afternoon, ladies and gentlemen. This is World AIDS Day, and AIDS is a disease with which I am familiar in a bad way. I'm a tainted blood widow. My husband, James, passed away five years ago from tainted blood. I lived in a tainted blood household for 20 years, watching healthy, vibrant people who contributed positively to society get sick and die, partly because we allowed private blood donations in this country.

I fully support Bill 21, and I believe it should become law as soon as possible. There are many patient groups, I would like to point out, which are not necessarily affiliated with one particular organization, that are fully supportive of this bill, and I stand behind those people and with those people. For example, three provincial hemophilia chapters—Ontario, BC and Alberta—all support this bill.

A bit of background: My late husband, James Kreppner, was a lawyer and hemophiliac. He died of

AIDs and hepatitis C, which he received through tainted blood in the 1980s. He was one of this country's leading treatment activists. In fact, James served on the Canadian Blood Services board as one of their 12 board members helping run our new, safer blood system—Graham Sher and James knew each other quite well—and he served almost right up to his death five years ago.

When I testified 20 years ago today at the four-year, \$17-million Krever inquiry on the blood system, the risks from running that system could have been lowered at the time—that's what I said—and here we are again, 20 years later, at a crossroads regarding some of the very same issues that Krever tackled a generation ago. That was the largest public health disaster so far.

One of the things I want to drive home today is that the issues haven't changed. It wasn't an accident. We learned several things from Krever. The risk could have been lowered, given the knowledge at the time. Part of the reason Krever happened was due to private, paid donations. In light of the Krever inquiry—you have to understand that this was based on solid scientific evidence at the time, and that solid scientific evidence stands today.

What I want to tell you is that we are not immune to another disease like AIDS, the next AIDS, coming down nature's pipeline of diseases. That is an ongoing threat. I very much applaud the precautionary principle that was outlined a couple of speakers ago.

What I want to say is something James used to say. He used to joke about it; there was a lot of black humour. He used to say that if he had claimed in the early 1980s, before we knew about AIDS or hepatitis C or could even test for AIDS or knew what it was, that a green monkey virus would come from Africa, enter our blood system and end up killing and injuring thousands of Canadians, they would have put James in a straitjacket.

The point is that AIDS sounded unimaginable; it was from out of this world. What I'm telling you today is that I think it is arrogant and, more importantly, dangerous to assume that another as-yet-unknown blood-borne pathogen can't still come into the blood system. What we do test for, and what CBS does a great job of testing for, is current blood-borne pathogens like AIDS and hep C.

But the other issue I want to point out is that a generation ago, AIDS was new. It was something we couldn't even imagine. To imply that there isn't going to be another one coming down the pipeline is not being precautionary on the safety front. Safety was first and foremost for Krever.

What I also want to add is that using a private system is dangerous because there are numerous scientific and clinical trials demonstrating clearly that relying on private blood donations or paying people to give blood is going to encourage a less safe donor population to donate relative to an altruistic donor population. For example, high-risk practices, such as needle-sharing, are going to be more prevalent in a private system than a public altruistic one.

**The Chair (Mr. Peter Tabuns):** You have one minute.



**Dr. Antonia Swann:** Can I keep—one minute?

**The Chair (Mr. Peter Tabuns):** Yes, you have one minute.

**Dr. Antonia Swann:** My reason for coming here today is to stress one point: that you have to screen out less safe donors at the front door when you collect blood and/or blood products. The most simple and obvious way to minimize the risk of future blood-borne pathogens, to reduce the inevitable and invisible threats to our blood system, is to rely on an altruistic rather than a private system, which scientific studies show is less safe. I would rather have blood coming from a safer source—altruistic donors—than a private system, which is more likely to be higher risk and have future blood-borne pathogens inside that blood.

I don't want to bury my friends. As James once said, I'm tired of burying my friends. That's exactly how I feel today. I don't want to bury any more Canadians from something that should be avoidable, that we learned 20 years ago and that Krever clearly states—and we have not outgrown Krever. We still cannot be arrogant. There are future blood-borne pathogens coming and we can't test for them yet by definition.

**The Chair (Mr. Peter Tabuns):** Thank you, Dr. Swann. I'll go to the government: Ms. McGarry.

**Mrs. Kathryn McGarry:** We could talk forever. I so hear you not only as a health care provider, but also as a parent who could have lost her child amongst the same thing. I know you've been hearing those stories.

I'd like you to just continue to outline for us the importance of passing Bill 21. I think you have more to say on the issue.

**Dr. Antonia Swann:** I do, and thank you for the opportunity. I appreciate that.

Yes, I do. There are so many issues here. Some of it is complicated scientifically in Krever; that's why it was four years and \$17 million. I guess the bottom line I want to drive home is that it is based on logic and science, the concerns that we have and the precautionary principle, that when you're searching for the safest system, you want to rely on the safest possible sub-population from which to get that blood and those blood products.

The bottom line is, if you're paying people, wherever it's coming from, if you're paying people to give blood, \$20 is going to mean a lot more to someone on the street, a vulnerable population. They're going to be encouraged to give blood. I'm an economist. I study incentives and I work for a public health organization doing this kind of stuff. You want to make sure that for the future diseases that can come up—we're always up against nature. I'm not saying CBS isn't doing a great job, but it's just nature versus technology. To think that, oh, 20 years ago, we couldn't keep up with new pathogens in the blood system and to assume that that isn't going to be the case in future is quite worrisome to me. You have to err on the side of caution.

Another thing I want to add is that, regarding supply, I don't think—well, let me just first say that we want to make sure that instead of increasing our reliance on

private donors, we should shift our energy and resources. If we don't have new resources, we should shift them into generating more altruistic donors. That's where our efforts should go. That's where our resources should be diverted.

1640

Another point I'd like to add is that, yes, we may rely in part or large part for some of our blood products on private donations from, say, America, but that doesn't mean we like that. In fact, we want to lower that reliance because of the scientific studies demonstrating that blood from private, paid people is probably less safe, all else equal.

Which blood would you guys want to give your kid or yourself or your grandparent or your parent? You've got to err on the side of caution, because we don't know what the next blood-borne pathogen is, and that's my key point.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds.

**Mrs. Kathryn McGarry:** I think what I'm hearing from you too is that we went through a system that put our patients at risk. There was a huge human cost, but there was also a financial cost.

**Dr. Antonia Swann:** Yes, absolutely.

**Mrs. Kathryn McGarry:** If you had some dollars to spend, what would you spend them on in the future in terms of addressing this?

**Dr. Antonia Swann:** If I had future dollars, I would certainly put much more resources into encouraging people to donate altruistically, to maintain our public system.

**The Chair (Mr. Peter Tabuns):** Ms. Swann, I'm sorry to say that we've run out of the three minutes for the Liberals. To the opposition: Mrs. Martow.

**Mrs. Gila Martow:** Thanks so much for your presentation and for coming today. You'll be in all of our thoughts.

**Dr. Antonia Swann:** Thank you.

**Mrs. Gila Martow:** I just want to mention that it's becoming very clear today that there's a difference between donating blood and donating plasma products. We're hearing from some experts that it is possible for Canada to be self-sufficient through volunteers giving blood itself, but the problem becomes very pronounced when it comes to blood products. Right now, we are getting 70% of our blood products from the US, and we're sending all of the plasma out to be—I think the word was “fractionation.”

**Dr. Antonia Swann:** Right, fractionated. As we did with Connaught, yes.

**Mrs. Gila Martow:** That's not even being done in Canada. Even though we're getting assurances that the plasma that we're sending out to these centres in the US and Europe is coming back the same in blood products, I'm a little sceptical about that, unless we're sending our own regulators to see.

I think that if we cannot, through private donations—we're hearing from experts saying that it's just too big

and too difficult and not cost-effective, that it would cost us so much more to do it ourselves than import, and we are already importing the plasma blood products from the States. Can two systems coexist, in your mind, in terms of regular blood donations and plasma products?

**Dr. Antonia Swann:** Thanks for the question. I think that we currently, as you say, do have a dual system in terms of relying on private donations for blood and blood products, as Graham Sher pointed out. But that doesn't mean I condone that or that we want to continue on that route. I would much rather see, and feel much more comfortable for my kids or my friends and people around this table, a move to put all the resources we have, as I was saying, towards really pushing—for plasma products, for every kind of blood product—towards a public system and not paying.

The problem, as I studied when I did my PhD in economics, is that when you let private corporations take over, even for whatever type of blood product it is, they're not going to put the public's safety first and foremost. You've got to make sure because what happened in the 1980s could very well be repeated. What I'm worried about is, profits went over safety, and people died as a result of that.

**Mrs. Gila Martow:** What happened in the 1980s was in terms of oversight of regulations, from my understanding.

**Dr. Antonia Swann:** That was one of the problems.

**The Chair (Mr. Peter Tabuns):** We have 30 seconds.

**Dr. Antonia Swann:** The other problem was that people allowed private corporations to put profits over people's lives. The bottom line is that we're no further ahead today. We can test for AIDS and hepatitis C and even hepatitis G, which you've probably never heard about—I studied this stuff. The bottom line is, we can't test for the next things. So we want to minimize the private—

**Mrs. Gila Martow:** Right, but we're already getting 70% from—

**Dr. Antonia Swann:** Yes, but that doesn't mean we want to increase that reliance; that's number one. And number two, we want to decrease that reliance, in fact, and I think we would be heroes to do that.

**The Chair (Mr. Peter Tabuns):** I'm afraid that we've gone through the three minutes for the opposition. Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Thank you so much for your passion. I'm sorry about your loss.

**Dr. Antonia Swann:** Thank you.

**M<sup>me</sup> France Gélinas:** The first question that I want to ask you is this. You were here when Canadian Blood Services' Dr. Sher presented. He talks about a new business model that would bring our system more independence and do things differently. Do those words give you confidence?

**Dr. Antonia Swann:** To be honest, I have confidence in the CBS doing a good job today.

Yes, I guess the bottom line is, I want a system—and tell me if this is answering your question. I think, as

Krever suggested and recommended, that safety should be paramount. It is not our job to supply the world with blood or blood products as well. I wanted to mention that. It should be safe blood and blood products for Canadians, and whatever gets that job done is the number one priority.

Given the fact that we cannot predict the future, we don't know what the next blood-borne pathogen is—the green monkey virus, or whatever strangeness that nature can bring. I'm not trying to be paranoid; I'm trying to be practical and precautionary.

Sorry. I'm not sure I answered you.

**M<sup>me</sup> France Gélinas:** No, that's good. You have looked at what happens in other markets.

**Dr. Antonia Swann:** Yes.

**M<sup>me</sup> France Gélinas:** Given the size of Canada, and given our challenges and everything else, what is the basis for a for-profit, paid donation system to be successful and make money when we have a not-for-profit, don't-pay-for-donations system that apparently cannot do that? What am I missing? What's the big divide? Why is it that there's money to be made by the for-profit system that cannot be made by the not-for-profit?

**Dr. Antonia Swann:** Right. We have to change the way we think about how it is structured. Currently, we should be examining why it is more profitable in terms of plasma, assuming that's the case, to be relying on paid donations.

You have to also be cautious that in our history, when we tried to, say, set up—we had some catastrophes with places like Connaught and trying to fractionate and be self-sufficient in Canada.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**Dr. Antonia Swann:** I guess the bottom line is, you want to minimize your reliance on private donations. If you have to coexist, you want to not increase that reliance, because of safety and science behind us. I can give you all the clinical trials you need to show that a private system is less safe because of the type of donors it attracts, whether it's for plasma or whatnot, relative to an altruistic system. We are coexisting with both types of systems, but let's do our best and not increase our reliance on private. That's all I would ask.

**The Chair (Mr. Peter Tabuns):** Dr. Swann, thank you very much.

**Dr. Antonia Swann:** Thank you very much.

#### ONTARIO PUBLIC SERVICE EMPLOYEES UNION

**The Chair (Mr. Peter Tabuns):** Our next presenter is the Ontario Public Service Employees Union. Welcome. If you'll introduce yourself for Hansard. You'll have five minutes to speak. I'll give you a one-minute warning when you're getting to the end. Then there will be three minutes of questions from each party.

**Mr. Rick Janson:** Okay. I'm Rick Janson. I do health policy work for the Ontario Public Service Employees



Union. I also write the blog *Diablogue*, which is read by a number of people, I'm sure, in this room.

The Ontario Public Service Employees Union represents about 130,000 public sector workers in the province. OPSEU's membership includes most of the staff of Canadian Blood Services in Ontario.

It is OPSEU's view that the private clinics that Canadian Plasma Resources planned to establish in Ontario represent a major shift in policy around paid donation of blood and blood derivatives. That shift in policy could place Ontarians at risk both in the quality of and accessibility to blood products. It also raises ethical concerns.

We support the government's introduction of Bill 21 as a means to reinforce Ontario's commitment to a single coordinated blood system based on non-remunerated donation.

This afternoon, I'm only going to present on security of supply, although our detailed brief does discuss issues of safety and ethics raised by for-profit, paid plasma collection.

Despite CPR's announced departure from Ontario last week, the clear intention of CPR remains to set up a parallel private plasma system in Canada. Contrary to widespread misinformation, commercial plasma collection is limited to a few countries which allow both remunerated and non-remunerated donations. This contrasts with the impression left by CBS CEO Dr. Graham Sher and privatization advocates that somehow Canada is outside of the mainstream on this issue. We're not.

CPR made it clear that they plan to become the dominant player in Canada's blood system. Short-term plans include opening 10 collection centres, not just the three planned for Hamilton and Toronto. CPR says their long-term plans include operating Canada's first fractionation facility.

The attempt to make this appear normal casts doubt about the objectivity of key players in this debate, including Canadian Blood Services. Comparisons to the existing paid plasma collections by Winnipeg's Cangene bioPharma, for example, are completely disingenuous. Cangene is a small niche provider, and paid collections are limited to specific rare blood types. Therefore, it is not surprising that it has little impact on CBS's Winnipeg donations, an assertion CBS makes to suggest that the impact of a rival collection organization the size of CPR will be minimal.

1650

While CPR claims that their goal is to make Canada self-sufficient in its pharmaceutical-based plasma supply, they are a private company whose prime objective is to generate profit for its investors, not solve Canada's health care needs. Given that CPR is entirely private, we have no idea whose deep pockets have financed the \$7 million this company says it has spent to date, or the \$400 million they say would be invested in their expansion plans.

It is difficult for us to believe that, with growing international demand, CPR will not use its position to sell Canadian plasma on the open market at the highest price, rather than restrict its market to CBS and Héma-Québec only.

Given that CBS told us in 2012 that they have neither a business relationship with CPR nor any intention to create such a relationship in the short term, it would suggest that CPR's market for Canadian-generated plasma would initially be international, not domestic.

Health Canada and the province of Ontario should be more than familiar with this situation, having just gone through intravenous drug supply shortages in Canada after the US federal drug administration intervened in Swiss pharmaceutical giant Sandoz's production line in Boucherville, Quebec. The fact that reductions in that production line had a much greater impact on Canada than on the US should throw up warning flags about where Canada will stand in the event of critical shortages of needed health care products.

The 2011 Dublin Consensus specifically points to the risk in setting up parallel blood and plasma systems. The Dublin Consensus states: "The coexistence of two independent collection systems, one for blood and one for plasma, in the same region or country, could create a risk of shortage in the supply of blood components." I highlight that.

It is our view that CBS should stop making excuses about the impossibility of securing a Canadian-based plasma supply and get on with the job to meet Canada's obligations to the World Health Assembly to become self-sufficient in blood and blood products. Forty-one nations are already there or partly the way there. That doesn't sound like an impossible mission to us.

We should also point out that the same resolution, WHA63.12—

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Rick Janson:** —calls on countries to develop national blood systems based on voluntary, non-remunerated blood donation, as does the more recent Dublin Consensus, which states that its first priority is to "provide safe," sustainable, "and sufficient blood components in all countries through the development of national blood transfusion systems based on voluntary non-remunerated donors," and that such principles apply to the plasma industry, which collects plasma exclusively for subsequent fractionation into plasma-derived medicinal products, or PDMPs.

I'm going to just skip ahead. Basically, our main point is that CBS has been actually self-destructing its voluntary blood donation system. It closed down a facility in Thunder Bay in 2012, as it did another one in Saint John, New Brunswick. It has taken at least two mobile voluntary blood collection units off the road.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that you've used up your five minutes.

**Mr. Rick Janson:** Okay.

**The Chair (Mr. Peter Tabuns):** The first questions go to the opposition: Mr. Walker.

**Mr. Bill Walker:** You've referenced the Dublin information fairly significantly, but I note that one you leave out is: "Recognize that both private and public sectors are needed to meet the global demand for plasma-derived products, in line with the Dublin Consensus."

I think what we're trying to establish here is that they can coexist. Most of the people in the room today have suggested that. From the transfusion side, we get that, but from the other side, from the research-based, the potential innovative solutions that we're going to need as a society are there.

I've asked a number of the presenters today to give me actual research-based evidence of where one negates the other, and no one has been able to do that. Unless you can provide me with something today—I think we have to be balanced. We're stating right here again: We need to ensure there is a balance. We can't go down just with the thought process, because of emotion, that we can't do this. We need to think about who's in front of us and who may need those products and services, going down the road. That's how I'm trying to look at it: with a balance to what the needs are.

We're being told that even Canada can't provide for its own needs right now. We're buying 70% of that research-based side.

So if we can't do it, and we're not doing it today, why are we going to allow legislation to be implemented that would actually prohibit that from happening?

**Mr. Rick Janson:** Because we're not even trying today. That's our problem.

**Mr. Bill Walker:** Fair enough, but this legislation is not going to necessarily engage us in trying. It's actually prohibiting the option to have that ability. What I want to know is how we do that.

My sister had a blood transfusion. Sadly, she passed away after that transfusion. But at the end of the day, I don't think she was really concerned—because let's not go down to the nth degree that there's no safety being built into the system. We're not going to be collecting blood from people, if I'm sitting in government, without all of the safety regulations and all of the practices that are in place today with Canadian Blood Services, to ensure the safety of our residents. We have to be very pragmatic and balanced in our thought processes here.

If we're going to do that, and if we don't have supply to meet the need, then we have to look at other ways of doing business. We have to look outside. Every country other than the US, I believe I was told by Canadian Blood Services's Dr. Sher, has to have paid to meet their demand—

**Mr. Rick Janson:** That's not true.

**Mr. Bill Walker:** Well, then, give me the evidence-based fact. Where is it?

**Mr. Rick Janson:** Sure. If you read my full paper, which I invite you to, you'll find that that is simply not true; the head of the hemophilia society in Ireland, for example, talked about four developed countries that are doing paid plasma. The rest, no.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Bill Walker:** Hemophilia is also part of the Dublin commission statement, and they're saying that this will not meet the demand. We have to look at two systems.

**Mr. Rick Janson:** Not necessarily. It's an integrated system—

**Mr. Bill Walker:** That's what it said. I'm taking it from their statement; I'm not making this up.

**The Chair (Mr. Peter Tabuns):** Mr. Walker, if you'd let him answer.

**Mr. Rick Janson:** Yes—and it's quite clear that the Dublin Consensus particularly places emphasis on non-profit voluntary donation. That's quite clear. It's part of their mandate. It's kind of sad that Canada actually wasn't part of the Dublin Consensus—

**The Chair (Mr. Peter Tabuns):** Your three minutes are up with the opposition. We'll go to the third party: Madame Gélinas.

**M<sup>me</sup> France Gélinas:** We've talked a lot today about Canada not being self-sufficient, but what you're telling us is that even if we were to allow plasma paid-for donations, it's not going to make us any more or any less self-sufficient because they will sell this plasma on the open market, I'm guessing, to the highest bidder, which may very well not be us.

**Mr. Rick Janson:** That's correct.

**M<sup>me</sup> France Gélinas:** Okay. So when we're talking about how we need to become more self-sufficient, the path of paying for donations is not the path that brings us to self-sufficiency.

**Mr. Rick Janson:** No. In fact, if you look at studies done around the world in terms of the impact of having this second tier, actually, it makes very little difference in terms of the overall supply.

I think there was one study done in the UK that showed that the difference between paid and unpaid would be negligible in terms of your total volumes that you would raise. In fact, in New Zealand there was also a study done on this, and in New Zealand they found that actually the prospect of paid donation turned off a lot of people, and a lot of people said in particular—I believe it was over 40%—that they would not donate if there was profit involved, if the company they were donating to was making profit off of their blood. That's really significant.

We have no idea what would happen in Canada. There have been different responses in different countries. CBS has said that it would affect their collections by about 8%. CPR, which wants to do this, said it would be about 6.6%, which is what they estimate to be the impact of having a paid second-tier private player in the market. So we know that it would impact overall donations, not just for PDMPs.

**M<sup>me</sup> France Gélinas:** So if the path to self-reliance is not through paid-for plasma donations for all of the PDMP products, what is the path to self-sufficiency?

**Mr. Rick Janson:** I think we need to go back to CBS's original mandate. They say that the demand for blood in hospitals is going down because of less invasive surgeries, which is true, but why can't we be putting the surplus stock, then, into PDMPs, as opposed to just saying, "Oh, we don't need it. Let's just start closing down our facilities. Let's close down Thunder Bay. Let's close down St. John. Let's cut the hours of our clinics. Let's make it more difficult for people to get through to our call lines by not staffing up during crises"—



**The Chair (Mr. Peter Tabuns):** You have 30 seconds left with this.

**Mr. Rick Janson:** Okay. What we've seen is the deliberate scaling back of CBS's voluntary collections. I think that as Ontario is a major stakeholder, it needs to start probing CBS as to why they're doing this. Why is it that we can't put these stocks back into PDMPs as opposed to just shutting it down?

**M<sup>me</sup> France G  linas:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you, and we'll go to the government. Ms. Mangat.

**Mrs. Amrit Mangat:** Thank you, Mr. Janson, for taking the time and coming to Queen's Park to share your story. A previous presenter before you, Dr. Swann, spoke very eloquently about patient safety. It's really heart-breaking to hear her story. No one should have to go through what she went through.

Having said that, would you mind sharing with us what the value is of having a single national body for blood collection?

**Mr. Rick Janson:** Well, \$5 billion to start with, which was the compensation last time out from the federal government to victims of the tainted blood scandal.

Certainly I think there are lots of quality issues that get raised by this for sure.

1700

We don't know what we don't know is one of the big problems, and you're always taking a risk. One of the biggest recalls of any pharmaceutical product is biologics, and within biologics, the product that gets the most recalls is IVIG, which is exactly what we're talking about today. The more risk you put into the system, the more likely you're going to have problems down the line. There are recalls all the time for IVIG, which is the end product in this. Do you really want to take the risk by putting it into a situation where it's not clear, in terms of where this blood is coming from?

The CPR, for example, set up from a methadone clinic in Hamilton and also next to a homeless shelter in Toronto. What does that tell you about who this clientele is? It's a very high-risk clientele. No matter what scrubbers you have and so forth—I mean, there are other diseases as well that you can't scrub out of the system, that are finding themselves to be very resistant. Whether they're carriers or not, we don't know entirely. There is no test, for example, for mad cow disease essentially.

**Mrs. Amrit Mangat:** And why is the passage of Bill 21 important to your members?

**Mr. Rick Janson:** Well, I think it's a first step. I don't think it's the end of the story. I think CBS needs to do its job, in terms of providing self-sufficient resources. There are many world bodies that have come out and called for self-sufficiency in blood systems. We're not there. We're far from being there for PDMPs. The question is, why aren't we even working towards it? We don't even try.

Last time there was a shortage, the US FDA basically was not happy with the process in terms of the manufacturing of immunoglobulins in the United States, so it basically halted service—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Rick Janson:** —and it made it very difficult in Canada, particularly, to access supply at that time. At that time, the deputy ministers of the provinces all got together and decided they were going to try and increase that percentage from what it was at that time, which was about 23%. They set a much higher target in terms of Canadian content so that we would be in a better position should there be a faltering of the system, and we didn't do it. Instead, the US turned the supply on again and we were happy just to take their content.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Janson. I'm sorry to say you've run out of time. Thank you very much for your presentation.

**Mr. Rick Janson:** Thank you.

MR. DAVID HARVEY

**The Chair (Mr. Peter Tabuns):** Our next presenter is David Harvey. Mr. Harvey, I think you've seen us go through a number of cycles, but if you'd introduce yourself. You have five minutes. I'll give you warnings at the appropriate time.

**Mr. David Harvey:** Good afternoon, committee, and thank you very much for the opportunity to present this afternoon. My name is David Harvey. I'm a retired lawyer and I represented families and organizations touched by tainted blood for about 20 years. I argued blood-related cases in the Ontario Superior Court, the Federal Court, the Federal Court of Appeal, the Ontario Court of Appeal and twice at the Supreme Court of Canada. I represented patient groups at the Krever inquiry. But I'm here today, not in any professional capacity, but in a personal capacity, to share what I've learned over the years and to congratulate the government on bringing forward the legal implementation of one of Justice Krever's primary recommendations.

Now, the issue is also personal for me. In my practice—I'm sorry.

**The Chair (Mr. Peter Tabuns):** No, that's okay. Take a second.

**Mr. David Harvey:** I went to too many funerals. I got too many calls that clients died. I had to call an ambulance in the middle of examining a witness because he was too weak to continue. Ms. Swann's late husband was one of my best friends.

And closer to home, I have sat in a hospital room with my mother and my father and my wife, weakened from chemotherapy, watching blood products drip into their veins, and with my background, you can imagine the kinds of concerns I had. But I was proud to be able to say to them that Canada has learned its lessons. They've reformed the system, and it's as safe as it can be. I'm here today to try and make sure that I can continue to say that.

Now, this committee is going to hear from a number of witnesses today and tomorrow—two days of hearings. It would be foolish to assume that this committee can

approach anywhere near the detail that Justice Krever heard over four years.

Justice Krever received and reviewed 175,000 documents totalling over a million pages. He had hearings from February 1994 to December 1995, hearing from 474 witnesses—247 days of hearings, written submissions from 89 parties, 50,000 pages of transcript, 100,000 pages of exhibits. There were witnesses from across Canada and around the world, experts in transfusion medicine, internationally renowned panels, front-line workers. With respect, it's impossible for this committee to come to a different conclusion than Justice Krever in a responsible manner.

I won't take you through the specific recommendations in Justice Krever's final report, but there were at least five that dealt specifically with payment for plasma.

**The Chair (Mr. Peter Tabuns):** You have about one minute left.

**Mr. David Harvey:** All five times it was no, no, no, no, no.

With respect to the issue of shortages of product, we're not talking about that. We're not talking about it, because paying for plasma in Ontario means a private company can collect Ontario plasma—which Justice Krever referred to as a “public resource” in Canada—and send it abroad without any guarantee it ever comes back here. So if you're talking about securing Canadian supply, having private companies pay donors and sell on the international market does nothing for Canadian health care.

I want to talk about the importance of a single operator a little bit, because that's also a fundamental principle from Justice Krever's report. There are many reasons, and I'll give you just one. Having the information on every donor and tracing from vein to vein who gave the blood and who got the blood is essential, because if a donor comes in and later tests positive for an infectious disease, you want to be able to find every recipient of every prior donation from that donor.

**The Chair (Mr. Peter Tabuns):** Mr. Harvey, I'm sorry to say that your five minutes are up. We'll go to the first questioner: Madame Gélinas.

**M<sup>me</sup> France Gélinas:** My first question is a little bit broad, but you can answer it any way you see fit. What do you say to people who say, “That was 20 years ago. We've learned. We have safety precautions in place. All of the safety questionnaires that Canadian Blood Services uses will be used in the for-profit system”? What do you say?

**Mr. David Harvey:** I say to them, that's right. We are very well equipped to fight the last war. But we should be afraid. Afraid is good. Afraid leads to vigilance.

We need to be looking at the future, as Dr. Swann referred to. It's what's coming next that we have to be concerned with. So any change we're making in policy needs to be changing towards increased safety, not falling back on the same kind of scientific arrogance and complacency and denial that we had in the 1980s that led us to say, “There's not really a problem.”

**M<sup>me</sup> France Gélinas:** When there was a serious one.

Do you see a way forward where Canada would be self-sufficient in plasma products?

**Mr. David Harvey:** I do. I was heartened to hear Dr. Sher say that there is a business plan going forward. But I'm also concerned about this attitude that I seem to be hearing, that it's a binary thing, that you either have paid plasma or you have shortages and that there's nothing in between—no.

1710

I compare it to the Ontario electricity system. We didn't want coal plants, but we had them, and we had to rely on them for a while until we could phase them out. We're in the same situation here. We have a reliance on paid plasma products because we have no choice at the moment, but going forward we can shift resources. We can increase our reliance on Canadian, voluntarily donated plasma products. We may still have a percentage that we have to rely on from imported donor-paid products, but we can reduce it, and the more we reduce it the better.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds left.

**M<sup>me</sup> France Gélinas:** So this 30% that goes out and comes back, you think, could grow and could—

**Mr. David Harvey:** Absolutely. There are going to be some products where the market in Canada is just too small. We can't buy enough because these are made in huge pools. For us to send 30,000 units down to be pooled to make a particular product that we only buy a handful of vials of doesn't work—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that we're going to have to go on to the next party. The government: Mr. Fraser?

**Mr. John Fraser:** Thank you very much, Mr. Harvey, for being here today, and thank you for your work. You've spent a lot of time working to help people, find justice and try to create a system that will be better for all Canadians. I want to say that I was really glad to hear you bring up that paid-for plasma does not necessarily mean products that remain in our country. It hasn't been brought up by anybody today. It does not ensure supply.

I also liked your analogy with regard to coal-fired plants. We need to take a balanced approach, just because that's the prudent thing to do. That doesn't mean that you don't continue to work towards what your ideal is. To work towards your ideal, you have to uphold certain principles.

I'd like you to, if you could, tell me why you think that the voluntary blood system is so important to Canadians and Ontarians.

**Mr. David Harvey:** Dr. Swann covered that to some extent. It is safer. It's universally acknowledged to be safer to take blood from people who are donating for altruistic purposes. They've got nothing to gain.

If you walk in and they ask you, “Have you been to Britain in the last five years?”, because there are CJD concerns—it's a valid question currently being asked—for the voluntary donor, they say, “Yes, actually, I went



last summer.” For the donor who is not voluntary but is there to make money, they’re going to think: You know what? I feel really well, and if I say I went last summer or five summers ago, I’m not going to get my \$20. So: “No, I’ve never been there.”

You can’t test for CJD. There’s no test, so your front-line defence against that disease is the honesty of the donor. If you don’t pay, you get a more honest answer.

**Mr. Granville Anderson:** That’s common sense, for those of us who have it. It’s logic. It’s human nature. It’s just a fact of life.

**Mr. John Fraser:** So why do you think it’s important for us to pass this legislation quickly?

**The Chair (Mr. Peter Tabuns):** You have 30 seconds.

**Mr. John Fraser:** Quickly.

**Mr. David Harvey:** Okay. It was important. This is a fundamental recommendation of Justice Krever’s. It wasn’t necessary up until this point to put it into law because there was nobody actually proposing to open clinics. As soon as that happened, it became necessary to deal with it quickly.

**Mr. John Fraser:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much. Now to the opposition: Mrs. Martow?

**Mrs. Gila Martow:** Thank you for your presentation. I think that everybody, whatever their presentation or their line of questioning is, agrees that we obviously want the blood supply, our blood products and our plasma products, to be as safe as they can be. We all know that, but, given the circumstance—which is that, as you said yourself, there are some products where it is not feasible—and given the fact that 70% of certain blood products are coming from the States, where people are being paid for the products, we just can’t ignore that. We have to accept that.

I agree that we want to encourage people to donate whenever they can. We have to make it easier, but it’s actually getting harder for people to donate. We’re having an aging population. We’re having a crisis in the GTA in terms of traffic; if people are spending more hours in traffic, they have less time to go donate blood. I’ve had people say to me that they used to donate regularly, but now that it’s taking them an extra hour a day, they’re not donating anymore, because that was the time that they would have used to donate.

On principle, don’t you feel that we’re better off not backing ourselves into a corner where we might not have the actual products that we need, versus looking at other options?

**Mr. David Harvey:** I don’t think we’re in that corner. I think there’s a lot of room for expansion within CBS to collect blood. Even if we were in a position where we had absolutely no choice but to pay, then the preferable procedure, for me, would be to have CBS pay.

**Mrs. Gila Martow:** I know, but if this legislation—

**Mr. David Harvey:** There’s an exemption in the legislation for CBS which would permit that. It prevents the fragmentation of the system. It prevents losing all of

those benefits of having a single operator, and it prevents blood from leaving Canada, never to return, except in the form of profits for a private corporation.

**Mrs. Gila Martow:** But right now, there are certain products that we’re not even able to manufacture here. So why do you feel that that’s acceptable?

**Mr. David Harvey:** We custom-manufacture them by sending our plasma to the factory and getting back our plasma. By doing that, we can choose from among the best manufacturers with the most advanced, safest processes in the world.

**The Chair (Mr. Peter Tabuns):** Thirty seconds left.

**Mr. David Harvey:** We’re not bound to one place. We’re not bound to political pressure to support the Canadian company and preserve the jobs. We saw what happened when we did that with Connaught. It was a disaster. It cost a fortune; it cost lives. We can’t put ourselves in a captive position like that again.

**Mrs. Gila Martow:** It’s about oversight and ensuring that the regulations are in place and, obviously, regulated.

**The Chair (Mr. Peter Tabuns):** Ms. Martow, thank you.

**Mrs. Gila Martow:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you very much, Mr. Harvey. I appreciate it.

**Mr. David Harvey:** Thank you.

#### MR. MICHAEL DECTER

**The Chair (Mr. Peter Tabuns):** Michael Decter? Michael? If you’ll introduce yourself. I know you’re familiar with the environment we’re operating in. You have five minutes. I’ll give you a one-minute warning, and questions to the parties—

**Mr. Michael Decter:** Thank you. It has been a long time since I was in this room, but it’s an important occasion to be back.

My name is Michael Decter. I currently serve on the board of Patients Canada and as the chair of Medavie Blue Cross. However, today I’m here in my capacity as a private citizen and as a former Deputy Minister of Health for this province.

I asked to be heard by the committee. Why? I think the most eloquent answer to that question was given by Randy Shilts in his book *And The Band Played On*, when he wrote: “It is a tale that”—sorry, I will need my glasses. I’ve aged a little since the last appearance. “It is a tale that bears telling so that it will never happen again, to any people, anywhere.”

Memories fade. New experts and those with financial gains in mind tell you that this time, it will be safe; this time, it will be different. Old lessons are forgotten. As we age, we have a responsibility to speak our remembered truth to your democratically given power.

Albert Einstein commented that the true definition of insanity is doing the same thing over again and expecting different results.

The truth is that this bill is a sensible and necessary law to prevent a future blood-borne disease tragedy. It is

the legislative specification of the central tenet of public health: the precautionary principle. If an action or policy has potential to harm human health, precautionary measures should be taken, even if some cause-and-effect relationships are not fully established scientifically.

Collection of blood on a paid basis, in locations adjacent to facilities built specifically to house or serve at-risk populations, is a recipe for disaster and should not be permitted.

As early as December 1982, the US Food and Drug Administration recommended that blood fractionators refrain from collecting plasma from high-risk donors. They did not, with tragic consequences.

What tale do I have to tell? In the summer of 1993, I was appointed to chair a national committee of Deputy Ministers of Health. We had three tasks:

- determine and recommend to health ministers whether an inquiry should be held into the blood system;
- negotiate an agreement with the victims of tainted blood to financially assist them and their families; and
- recommend an interim written agreement with the Canadian Red Cross.

1720

What we found was shocking to me and to my fellow deputies. We interviewed people in the Bureau of Biologics who had been entirely negligent in taking steps to ensure blood safety. The bureau issued licences to blood collection centres without inspections. It was understaffed and it was complacent in its attitude.

This blood system manager, the Canadian Red Cross, had a leadership with an attitude of arrogance in the face of an unfolding tragedy that was astonishing. They had no written agreement with the governments that funded it.

We recommended an inquiry that Justice Krever was appointed to chair in October 1993. In my view, his report stands as a landmark of integrity and sound policy. He did not wait for his final report in 1997; he issued an interim report in 1995. Recommendation 10 of that report stated: “That blood services develop a policy for locating blood donor clinics so as to avoid areas known to have a significantly higher than normal prevalence, and thus a potentially higher incidence, of HIV or any other disease transmissible by blood.”

During the inquiry, Justice Krever issued 95 section 13 notices to those who caused the blood crisis, both companies and individuals. Only one of those notices was successfully appealed.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Michael Decter:** One minute?

It is fair to say that all those entrusted with blood safety let us down with fatal consequences for thousands of Canadians.

Given the time, I will read only two of Justice Krever’s recommendations:

- Donated blood is a public resource—Canadian Blood Services must act as a trustee of this public resource for the benefit of all persons in Canada;

—Safety of the blood supply system is paramount—the principle of safety must transcend other principles and policies.

Lurking out there just beyond the periphery of our current knowledge is the next HIV/AIDS virus or prions or Ebola. Your challenge is to apply the precautionary principle. That is what Bill 21 does and that is why I strongly support its passage into law. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Decter. The first question is to the government.

**Mr. Granville Anderson:** Mr. Decter, thank you very much for coming this evening. In 2006, you were quoted as saying that “crises can lead to better institutions, but only when the changes made reflect lessons learned.” Can you tell us what that means with respect to Bill 21? Is CBS an example of a better institution?

**Mr. Michael Decter:** Yes, and I’m honoured to say I was invited by the CBS board to speak at their first meeting and to speak at their 10th anniversary meeting. I praised them for what they’ve achieved in 10 years. I told them they’d achieved more than I thought they could in a decade, but I also said to them, “You have more to do.” One of the more-to-dos is to move towards self-sufficiency and to take on that challenge. They’ve chosen to take on some other challenges that are not to do with blood and blood products; I would rather they stayed focused on blood.

**Mr. Granville Anderson:** Okay. Can you please explain to us why it is so important to safeguard the integrity of the voluntary blood donation system in Canada and why this legislation is so important to its quick passage?

**Mr. Michael Decter:** Yes. One of the qualities of blood is that it is something that we possess and that we can share to assist, maybe even save the lives of others. I think when you reduce it to a commodity and put it into a private for-profit system, then it loses that quality.

I know there have been lots of studies done, but I know that mixed systems have had not good outcomes in health generally in this country. There’s lots of evidence on point on that. I think it’s important to keep separate what we do as a public good, and blood products for me fall into that category of a public good.

**Mr. Granville Anderson:** Can you tell us what you would tell individuals who oppose this bill, especially those who indicated that 70% comes from the US, so what is there to worry about, basically? What can you tell us about that comment?

**Mr. Michael Decter:** Well, I think you have to look broader at Canada’s role in the world. We import a great many things to this country, some of them because we can’t provide them ourselves. We don’t grow bananas in Canada—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Michael Decter:** —we don’t do things of that sort. We often import things from countries with lower safety standards. We have had tragedies run the gamut from antifreeze in wine to all sorts of things, so it’s a second-best solution for us to import 70%.



I think this bill is an important bill, but I think it's also important that the Canadian Blood Services implement their business plan to move us towards greater self-reliance.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Decter. To the opposition: Mr. Walker.

**Mr. Bill Walker:** Thank you very much. Thank you, Mr. Decter. In your opening remarks you related that we have to be very cautious—I don't think there's anyone in this room who won't agree—about the potential risk of a new disease, and what do we do and how do we protect that? Because what I'm trying to get my head around—and I have two young boys, so it's a concern I have, and obviously would, if my sons would ever have something like that happen.

Similarly, if you look at the fractionation and the need to have those life-saving treatments, what if we don't have the supply? Which one of those do we value more? Which factor do we bear over the other? Because what I'm reading in a lot of the information that's been given to us today is that a lot of those things are derived from paid donations, and they seem to be working quite well. I don't know how I put one risk over another risk. Can you help me?

**Mr. Michael Decter:** Well, I think it's a false choice. I don't think that, because they're paid donations in other countries—most of those countries have personally paid health services, which we as a country have been against, as I understand it, including our current Prime Minister, whom I've debated on the subject over the years.

I don't think we have to go down that route. The fact that we currently import blood products that may in some cases be made from paid plasma because the other systems are mixed—the 70% isn't a very good number; it's a “may contain paid plasma,” not “does contain.” That is something that I think that we should be trying to work our way away from, but not—and I'll say this—by trying to produce a fractionator in Canada, which we did do before with tragic consequences.

I think I would be with David Harvey's testimony, saying that if we send out product from CBS, have it fractionated, get it back and not commingle it, that is a better solution than either importing something that we may not know all the qualities of or trying to build something in Canada that may not actually work out from a safety point of view.

**Mr. Bill Walker:** You've already suggested, I believe, that we may not be able to produce enough in some cases, so are you open, then—and is that the ability of the exemption in the Krever report—to allow it to be paid if we cannot produce enough, and to keep it in that one stream?

**Mr. Michael Decter:** If CBS, having seriously tried—which, in my view, they haven't—to get to self-sufficiency in collection using plasma for research, then I would certainly see that as being an important exemption in the bill, but I don't think that the right answer is to have other entrants with mixed motivations enter a

system that should be run four-square on the precautionary principle.

**Mr. Bill Walker:** But you are willing to look at that if it can be proven that we can't produce enough?

**Mr. Michael Decter:** I would be willing to look at CBS being able to do something there. I know there are some very small, special situations—Cangene, for example—in which that has been done.

**The Chair (Mr. Peter Tabuns):** Your time is up. Madame Gélinas?

**M<sup>me</sup> France Gélinas:** Pleased to see you; long time no see.

How do we get to self-sufficiency through CBS? Can you see a way forward that brings us there?

**Mr. Michael Decter:** Yes. There are plenty of other countries that have been able to achieve self-sufficiency, and there's plenty of ability at CBS after a decade. I think ministers have to exert some political will and say to CBS, “Look, we know you want to get into tissue banking. We know you want to do all of these other things, but you haven't finished your work on blood. We're not self-sufficient, and we would like you to take the steps.”

They're not all on the supply side. Let's be clear about this. The one recommendation of Justice Krever that wasn't implemented was that the budget for blood products be transferred to the hospitals, so that they could buy product from the CBS. The reason he proposed that—and I will confess that I was an adviser to the Krever inquiry on some of those points—is that blood is frankly not always as valued as it should be in the system, because it's transferred from CBS to the users for free.

1730

I think, frankly, that there is wastage. Some hospitals do a spectacularly good job of managing blood; others, not so good. I think if there were transfer pricing, you might see better utilization.

So I don't think we solve this entirely on more supply. Part of it is taking advantage of getting to the best standard, which would let us use less whole blood in total.

**M<sup>me</sup> France Gélinas:** Interesting. You also mentioned that mixed systems have not had good outcomes in this country. This is a comment you made. What were you referring to?

**Mr. Michael Decter:** It's a more general comment about health care. I think some parts of the health system work really well in the private sector. Chain drugstores, for example, work very well. They're popular. They do a good job. Public hospitals do a good job. When we start to try and bring public and private elements together in the same health enterprise, I think we run some complicated risks. The most glaring example—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Michael Decter:** —in this jurisdiction would be the rather sad experience of Ornge, where I think the attempt to make money took it off its main task. I guess someday we'll hear the full story, but that wasn't a happy experience.

I think that what is public should be public, and I would put blood there. What is private should be private, and I would put the manufacture of pharmaceuticals and their distribution and sale there.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Decter.

#### CANADIAN PLASMA RESOURCES

**The Chair (Mr. Peter Tabuns):** Okay, our last presenter today: Canadian Plasma Resources. If you would introduce yourself for Hansard, as you've probably seen. You have five minutes to speak, and I'll give you a warning when you have one minute left.

**Dr. Barzin Bahardoust:** Barzin Bahardoust, CEO of Canadian Plasma Resources. Thank you, Mr. Chairman.

For those who are not aware, Canadian Plasma Resources is the target of the first part of Bill 21. I'm going to very briefly outline our concerns.

Canada is one of the largest markets for drugs manufactured from plasma and will spend \$750 million next year to buy these from foreign private companies. We are merely seeking the opportunity to compete with these companies and provide these drugs across Ontario and Canada in exactly the same manner as our competitors do. All of these companies compensate their plasma donors.

Why do we need to compensate donors? We would prefer if people walked in and donated frequently without any compensation. It would have lowered our costs. But plasma donors on average spend 90 minutes, excluding travel time, for a single plasma donation, and qualified donors must be repeat donors. For a committed weekly donor, that means almost 80 hours, or two full work-weeks, per year.

In Ontario, we already compensate living organ donors for out-of-pocket costs and loss of income. Our proposal to compensate plasma donors is consistent with what is already happening here in Ontario. In fact, the compensation of plasma donors is the only type which is explicitly permitted under section 10 of the Trillium Gift of Life Network Act, a Liberal government bill. We relied on that exemption when we began operating. Now you are taking that away. This bill does not acknowledge the need for plasma for further manufacturing.

Canada is the only G8 country without the capacity to produce essential medicines derived from plasma. We are the single largest net importer of immunoglobulin worldwide. This unique overreliance that we have on US donors is a risk to the security of supply. What happens to Canadian patients if there is ever a shortage or an export ban in the United States? You heard what happened in the UK. The only way to remedy this problem is to start our own plasma industry and diversify supply. What is truly striking about this bill is that the government of Ontario is banning the creation of an industry that its own citizens need to survive. How is this ethical?

The bill is also bad for Ontario's economy. We were proposing to make a \$400-million investment in Ontario

to open 10 plasma collection centres and to build and operate a fractionation plant with our strategic partner Biotest AG. That would mean 2,000 new manufacturing jobs for skilled workers. Now the investment and jobs will go to those provinces where we have agreements to operate, beginning in western Canada. It is confusing to us that a government would actively chase high-skilled, high-paid jobs out when it's struggling to balance its books.

Concern has been expressed that compensating plasma donors for further manufacturing will erode the voluntary blood donor base. The experience in other jurisdictions has shown that this is not the case. In fact, the donor time commitment is very different and donor pools rarely overlap. Countries with a mature plasma industry, such as the US and Germany, have a much higher rate of voluntary whole blood donations compared to Canada.

In regard to safety concerns, I would point out that the World Health Organization has regarded Health Canada, the regulatory body which licenses us, along with CBS and Héma-Québec, as having developed the highest standards of blood safety.

While we will not be able to grow our business in this province, we are prepared to operate our Toronto collection centres on a purely voluntary basis and for research purposes. This would allow our current employees to keep their jobs. However, the provisions of this bill that amend the Laboratory and Specimen Collection Centre Licensing Act would make it very difficult for us to do so. If the committee is interested in exploring an amendment that would allow our centres to operate on that basis, we would be pleased to work with you.

Thank you all sincerely for your time, and I would be happy to take your questions.

**The Chair (Mr. Peter Tabuns):** Thank you. Questions start with the opposition: Mr. Walker.

**Mr. Bill Walker:** Thank you very much. We're talking a fair bit today about the standards. I trust, as an industry, you're prepared to meet whatever requirements that the government would put in place to ensure that we have the highest safety standards in the world?

**Dr. Barzin Bahardoust:** We have to do that to be able to operate. In Canada, the BGTD office at Health Canada is the body that regulates blood establishments and plasma collection centres. Even those that solely collect plasma for further manufacturing—that's what we do—need to get their authorization from them. Without that, we would not be able to operate.

**Mr. Bill Walker:** Some people today have alleged that only people who are doing it for the wrong reasons, who are not altruistic; they're just going to do it for the money—I'll use my colleague across the way, Mr. Fraser. If he was to walk into one of your clinics and be paid \$100 or whatever the dollar—\$20, whatever it would be—and agree to donate that back to Canadian Blood Services—so he's doing it for no personal gain; he's a man of upstanding character—would there be any reason why we wouldn't do that when we know that



there is a potential for a shortage of a certain type of blood or blood plasma protein?

**Dr. Barzin Bahardoust:** Compensation for plasma donors, as long as that plasma is for further manufacturing, does not compromise the safety of the product. That is proven scientifically.

This is different with whole blood or blood for transfusion or plasma for transfusion. There are certain risk mitigations in place that are not available or applicable to whole blood or fresh blood products for transfusion, such as filtration steps during manufacturing and the quarantine of the plasma of repeat donors, that further increase the safety of plasma for further manufacturing, as opposed to fresh blood products. There is no safety risk with compensation for plasma donors as long as regulations are followed.

**Mr. Bill Walker:** The government's role is to set those regulations and standards. We utilize the Canadian Nuclear Society for the exact same reason. We're not going to supersede—I think I just want to make sure, for the record: No one in this room—certainly I'll speak only for myself right now. We're not lowering any standards of safety. If this bill doesn't pass, we're not changing anything. We want to keep the highest standards absolutely possible. I think what I've heard from many groups in the room today is that we can separate the two. One is for transfusion, the other for products that are for research and training—

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Bill Walker:** We can separate the two of them, again maintaining the absolute highest standard, and it could be maintained in Canada rather than exporting \$750 million for the same resources we're currently using in our country.

**Dr. Barzin Bahardoust:** If anything, we will bring Canadian oversight on the production, while now we are relying on other regulators, specifically the FDA. So there is direct regulatory oversight if production happens in Canada.

**The Chair (Mr. Peter Tabuns):** And your three minutes are up. I'll go to Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Thank you so much for coming. You mentioned that you had the intention of investing up to \$400 million, that you've already invested several million dollars for the sites that you have here in Ontario. Can I ask: How much have you invested in Ontario so far?

**Dr. Barzin Bahardoust:** We invested approximately \$8 million in the three plasma collection centres that we have right now. Two of them have gone through Health Canada audits. One has not: the one in Hamilton. We invested approximately \$40 million in industrial property for the future fractionation plant, which is now going to be used for development and we don't have that property anymore.

**M<sup>me</sup> France Gélinas:** What led you to believe that that was going to be a successful business? This is a lot of money. I am taking that you do due diligence before

you invest that kind of money. What led you to believe that you were going to be successful?

1740

**Dr. Barzin Bahardoust:** We are using the same model that our competitors do in the United States. We use technology from the fifth-largest manufacturer of plasma protein products worldwide, Biotest. They're not currently in the Canadian market. We will start the registration of finished products hopefully early next year.

This company, again, as I mentioned, is the fifth-largest producer and supplier of plasma protein products worldwide and has a presence in Western Europe, in the United States and generally in 70 countries.

We believe that, again, our model will work. It's the same model that is being used for the products that Canada is already purchasing. Costs are similar to the United States, so we think that we will be able to compete.

**M<sup>me</sup> France Gélinas:** So you did not see this coming in Ontario, that this bill was going to come forward and that your ability to have a successful business was going to be taken away from you?

**Dr. Barzin Bahardoust:** We met with the Ministry of Health and Long-Term Care, with the chief of staff, over a year ago—almost two years ago. We had told them at that time—and the Ministry of Economic Development, Trade and Employment.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Dr. Barzin Bahardoust:** We had indicated to them that if such a bill would be passed, our ability to work in Ontario will be diminished. Again, we will not be able to recruit donors without compensation—enough donors to make the business viable.

**M<sup>me</sup> France Gélinas:** And what was their response?

**Dr. Barzin Bahardoust:** They told us that this seems to be a good idea and they never contacted us back. We told them, if there were any concerns, to please get back to us.

**M<sup>me</sup> France Gélinas:** Which they didn't do.

**Dr. Barzin Bahardoust:** We never heard back.

**The Chair (Mr. Peter Tabuns):** Your three minutes are up. To the government: Mrs. McGarry?

**Mrs. Kathryn McGarry:** Thank you very much for coming today and providing your perspective today.

**Dr. Barzin Bahardoust:** Thank you.

**Mrs. Kathryn McGarry:** You may have been in the room when I talked about my long tenure as a nurse in the province, and a child who was given products at the time where there were a lot that suffered from the tainted blood scandal. So it does hit me directly, not only as a provider but as a family member that could have gone through this.

That particular situation led to the Krever commission. We've heard very eloquently from a previous delegation about the number of reports and the amount of time that Mr. Krever went through his submissions. He really did come up with a single operator being the best solution for a Canadian blood supply here.

I know that you've tried to open pay-for-plasma clinics here in Ontario, and you've been met with significant resistance from not only government and organizations but also individuals and health care practitioners who believe in the need to preserve our voluntary blood donation system that's overseen by a single operator.

Why do you think that upholding a voluntary blood donation system is important to these Ontarians?

**Dr. Barzin Bahardoust:** We agree that we need a voluntary blood donation system for fresh blood products. The reality is that the plasma industry cannot be viewed as or be part or a subset of the national blood organization anymore.

Canadian Blood Services is procuring all of the plasma protein products that it's currently purchasing from private pharmaceutical companies. There is not a single not-for-profit company that is supplying Canadian Blood Services at the moment. They are purchasing these products and distributing them.

We are, again, as I mentioned, merely seeking to do the same. There are currently eight pharmaceutical companies that supply Canadian Blood Services. We were planning or hoping to be another pharmaceutical company that does that.

Again, we do agree with voluntary blood donation when it comes to fresh blood products. We just believe that there should be a distinction between plasma for further manufacturing for pharmaceuticals as opposed to fresh blood products.

**Mrs. Kathryn McGarry:** Okay; thank you. Under the Laboratory and Specimen Collection Centre Licensing Act, it's required to have a licence to operate a specimen collection centre. I understand you didn't apply for such a licence. Why is that?

**Dr. Barzin Bahardoust:** The Laboratory and Specimen Collection Centre Licensing Act specifically says that a specimen collection centre licence is required if the

specimen is collected for diagnosis, prophylaxis or treatment. We do not do any of those. We collect the specimen for screening donors to collect plasma for the manufacturing of drugs.

**The Chair (Mr. Peter Tabuns):** Sir, your time is up.

**Mrs. Kathryn McGarry:** Thank you.

**The Chair (Mr. Peter Tabuns):** I thank you very much for your presentation.

I'd like to thank everyone who came today and made their presentations. I think it's been very helpful to the committee.

A reminder to committee members: The deadline for the public to send in written submissions is 6 p.m. tomorrow, December 2. The deadline for committee members to file amendments to the bill with the Clerk is 12 noon on Wednesday, December 3.

This committee stands adjourned until 9 a.m. tomorrow, December 2.

No?

*Interjection.*

**The Chair (Mr. Peter Tabuns):** Yes—a big hand movement.

**M<sup>me</sup> France Gélinas:** I raised my hand gently. What's this?

*Interjection.*

**The Chair (Mr. Peter Tabuns):** A submission.

**M<sup>me</sup> France Gélinas:** Okay. My second question is, do we know what we're doing next week, and if not, can we have a committee of the—

**The Chair (Mr. Peter Tabuns):** The subcommittee?

**M<sup>me</sup> France Gélinas:** Subcommittee.

**The Chair (Mr. Peter Tabuns):** I'll discuss that with the Clerk, and we can discuss that in the morning.

**M<sup>me</sup> France Gélinas:** Sounds good.

**The Chair (Mr. Peter Tabuns):** Okay. Adjourned till 9 a.m. tomorrow morning.

*The committee adjourned at 1746.*





## **STANDING COMMITTEE ON SOCIAL POLICY**

### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Substitutions / Membres remplaçants**

Mr. John Fraser (Ottawa South L)

### **Also taking part / Autres participants et participantes**

Mr. Bill Walker (Bruce–Grey–Owen Sound PC)

### **Clerk / Greffière**

Ms. Valerie Quioc Lim

### **Staff / Personnel**

Ms. Elaine Campbell, research officer,  
Research Services



## CONTENTS

Monday 1 December 2014

Safeguarding Health Care Integrity Act, 2014, Bill 21, Mr. Hoskins / Loi de 2014 de sauvegarde de l'intégrité des soins de santé, projet de loi 21, M. Hoskins .....	SP-123
Ms. Kat Lanteigne .....	SP-123
Plasma Protein Therapeutics Association .....	SP-125
Mr. Joshua Penrod .....	
Registered Nurses' Association of Ontario .....	SP-128
Ms. Doris Grinspun .....	
Dr. Lynn Anne Mulrooney .....	
Therapure Biopharma Inc. ....	SP-130
Mr. Mark Krause .....	
Canadian Blood Services .....	SP-132
Dr. Graham Sher .....	
Canadian Immunodeficiencies Patient Organization .....	SP-135
Ms. Whitney Goulstone .....	
Ontario Hospital Association .....	SP-137
Ms. Elizabeth Carlton .....	
Ms. Emily Musing .....	
College of Physiotherapists of Ontario .....	SP-139
Mr. Peter Ruttan .....	
Mr. Rod Hamilton .....	
Network of Rare Blood Disorder Organizations .....	SP-142
Dr. Tom Alloway .....	
Mr. Geoff Kettel .....	SP-144
MedAvail Technologies Inc. ....	SP-146
Mr. Sunny Lalli .....	
Dr. Antonia Swann .....	SP-149
Ontario Public Service Employees Union .....	SP-151
Mr. Rick Janson .....	
Mr. David Harvey .....	SP-154
Mr. Michael Decter .....	SP-156
Canadian Plasma Resources .....	SP-159
Dr. Barzin Bahardoust .....	

120N  
XC14  
-578

Govern  
120N

SP-6



SP-6

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 2 December 2014

# Journal des débats (Hansard)

Mardi 2 décembre 2014

## Standing Committee on Social Policy

Safeguarding Health Care  
Integrity Act, 2014

## Comité permanent de la politique sociale

Loi de 2014 de sauvegarde  
de l'intégrité des soins de santé



Chair: Peter Tabuns  
Clerk: Valerie Quioc Lim

Président : Peter Tabuns  
Greffière : Valerie Quioc Lim



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.



LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICY

COMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Tuesday 2 December 2014

Mardi 2 décembre 2014

*The committee met at 0900 in committee room 1.*

SAFEGUARDING HEALTH CARE  
INTEGRITY ACT, 2014

LOI DE 2014 DE SAUVEGARDE  
DE L'INTÉGRITÉ DES SOINS DE SANTÉ

Consideration of the following bill:

Bill 21, An Act to safeguard health care integrity by enacting the Voluntary Blood Donations Act, 2014 and by amending certain statutes with respect to the regulation of pharmacies and other matters concerning regulated health professions / Projet de loi 21, Loi visant à sauvegarder l'intégrité des soins de santé par l'édiction de la Loi de 2014 sur le don de sang volontaire et la modification de certaines lois en ce qui concerne la réglementation des pharmacies et d'autres questions relatives aux professions de la santé réglementées.

**The Chair (Mr. Peter Tabuns):** Morning, everyone. The Standing Committee on Social Policy will now come to order. We're here to resume public hearings on Bill 21, An Act to safeguard health care integrity by enacting the Voluntary Blood Donations Act, 2014 and by amending certain statutes with respect to the regulation of pharmacies and other matters concerning regulated health professions.

Please note, committee members, that there are additional written materials on your desk that have been submitted.

As of this morning, we have no presenters scheduled this afternoon. Shall we cancel this afternoon's meeting? Madame Gélinas?

**M<sup>me</sup> France Gélinas:** I would like to have a short conversation—I thought we would have it at the subcommittee, but we could have it as a committee as a whole and get it over with—to see how to best use our time next week.

**The Chair (Mr. Peter Tabuns):** Can I suggest—we finish presenters at 10 a.m. this morning, and we have time then. I'd be very happy to have that discussion at 10 o'clock.

**M<sup>me</sup> France Gélinas:** Okay. But before we cancel this afternoon, the subcommittee needs to report to the whole committee, or the whole committee will do it all together at 10?

**The Chair (Mr. Peter Tabuns):** Why don't we do the whole committee at 10?

**M<sup>me</sup> France Gélinas:** Good enough, Chair.

**The Chair (Mr. Peter Tabuns):** All right. So this afternoon's meeting is cancelled. That's agreeable? Fine.

MR. MIKE MCCARTHY

**The Chair (Mr. Peter Tabuns):** Our first presenter, then, is Mr. McCarthy. I think you're familiar with the routine. Please introduce yourself, and you have five minutes.

**Mr. Mike McCarthy:** Thank you for the opportunity to speak today. My name is Mike McCarthy. I am the former vice-president of the Canadian Hemophilia Society, the representative plaintiff for the class of tainted blood victims and the former senior adviser to Health Minister Tony Clement, and I was responsible for policy issues for blood.

I am a victim of tainted blood and acquired hepatitis C in 1984 as a result of blood products manufactured from US blood collected at a for-profit prison plasma centre. I have lost family, friends and colleagues to tainted blood. For me, the battle to fix a broken blood system was hard-fought, and personal.

Suffice to say that governments and institutions lost their way, and the result, that thousands of Canadians became infected by HIV and hepatitis C, is a fact. Thanks to Justice Krever and others, a complete overhaul of the Canadian blood system ensued. This was to ensure safety and to restore public confidence.

After billions of dollars to revamp the blood system and to pay out compensation to victims, we believed that we would never travel down this same road again. Clearly, we are dangerously close to doing just that. Like the Red Cross before it, and despite its defined role in blood collection, the CBS has begun to advocate for an expanded business mandate to include overseeing organ transplant donation services in Canada.

Meanwhile, the provinces had directed the CBS to find savings. To demonstrate to the provinces that it could run the system like a business, to curry favour and obtain support for a newly expanded role, the CBS set out to cast itself as a model of efficiency. To do so, it made deep cuts that included closing public volunteer, donor-based plasma collection clinics. The clinics that were closed had supplied plasma to support making blood products for Canadians. They also exported this plasma to the world, allowing Canada to meet its obliga-



tions to the global community to increase the world supply.

The CBS has stated that it will passively monitor the blood supply to ensure that there is no erosion of the volunteer blood donor system if a parallel system is introduced. Passively monitoring the effects of the introduction of a paid donor system is not a plan. Once introduced, paid plasma facilities will quickly attempt to ingrain their model in communities across Canada. Canada will quickly be held hostage to the for-profit centres for our supply of plasma.

It is clear that the CBS and Health Canada, the very stewards of our donor-based blood system, has abandoned its own mandate. Instead, it pursues new frontiers and fosters cozy relationships with powerful vested interests. The CBS and Health Canada profess that science and testing can extinguish all risk, an assurance that proved to be false in the past. I am both witness and victim to this failure. There was no test that revealed HIV and hep C at the time I was infected. The for-profit plasma industry has voiced that they have learned the lessons of the past. Yet the three clinics that have been set up in Ontario are next to homeless shelters and a methadone clinic.

When reviewing the tragedy of the past, Justice Krever pointed out that it was the lack of transparency, accountability and public involvement in decision-making by the provinces, the Red Cross and Health Canada which ultimately led to the largest public health disaster.

Yet here we are again, not quite 25 years later, and what have we learned? The CBS and Health Canada, in closed-door meetings with clinic owners who have a financial interest which is not in the public interest; and assurances of approvals for a parallel blood-collection model being provided to these clinics without any public consultation. After all, why else would clinics spend \$7 million and set up shop before a single approval is ever granted?

Health Canada failed to provide any real opportunity for public comment—

**The Chair (Mr. Peter Tabuns):** One minute.

**Mr. Mike McCarthy:** —until media started to take interest and reported on this story. As the regulator, I would have expected differently, given the important role that Health Canada played in the system's past failure.

In 2013, the original plan, backed by the CBS, was to sell the collected plasma from these clinics to international manufacturers. Now the argument seems to have shifted a bit. The clinics claim that this collected blood will not be sold internationally but directly to the CBS. It doesn't matter. Given the cozy relationship between the parties and the evolution of the objectives guiding their arguments, this claim is not credible.

None of this acceptable. In fact, it's appalling, given our recent history. The stigma attached to our blood system is still playing out. It's taken so many years to regain the trust of Canadians. Now is not the time to abandon the foundation upon which our new blood

system, still in its infancy, has been built—especially not after so much study.

I have seen this movie before. We have seen this movie before. Have we learned nothing?

**The Chair (Mr. Peter Tabuns):** Mr. McCarthy, your time is up. First question to Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Thank you for coming to Queen's Park. Thank you for your presentation. I take it that you followed a little bit as to what we heard yesterday. I'm curious to see—in the statement, you said that the clinics went on to spend \$7 million based on the fact that they thought they had approval. Do you have any more to add on this? Because yesterday when I asked them if they had had previous approval, they did talk about a meeting with the ministry and that they left the meeting with nobody telling them that it was not going to happen. Do you know any more about this side of the business?

**Mr. Mike McCarthy:** I had met the Minister of Health nationally, Minister Rona Ambrose, and a number of Health Canada officials. I was part of the one-day summit round table that was organized by Health Canada in response to the media stories. All evidence brought forward by Health Canada and Canadian Blood Services really led to that there was already a decision made and that they were trying to convince naysayers that there were no scientific concerns to worry about. Have I seen documentation that would show that a decision was made? No. I believe that still relied upon the province to give the final approval for those clinics.

**M<sup>me</sup> France Gélinas:** Yesterday, Canadian Blood Services told us that we are independent for fresh plasma, frozen plasma, but that up to 70% of the medications that are made based on plasma come from—could come from—paid donors. The number is a little bit iffy. Then they say that they will be presenting a business plan to try to improve this. What would you like to see in that business plan? How do we go towards self-sufficiency?

**Mr. Mike McCarthy:** That's a good question. First of all, I want to state that there is no shortage of these materials in medicine or in the raw form. In fact, there are thousands upon thousands of litres in freezers in industry across the world, and they are manufactured on an as-needed basis.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Mr. Mike McCarthy:** There is no shortage for medicines now or in the future for people who require fractionated products. I believe that the CBS has a duty to increase self-sufficiency, to work towards that. In the meantime, we should continue to provide support for the global supply of plasma. That is our role. But to introduce a risky, untested new model in Canada—there's a lot of peril involved with that. As long as we can keep it away from the private sector, we need to do that.

0910

**The Chair (Mr. Peter Tabuns):** Mr. McCarthy, we have to go to the government. Mrs. Mangat.

**Mrs. Amrit Mangat:** Thank you, Mr. McCarthy, for your presentation. First of all, I want to thank you for

your ongoing support and advocacy on this issue. My understanding is that you have been a champion of voluntary blood donation. Can you share with the members of this committee—suppose this bill is not passed. What would be the risk involved with this?

**Mr. Mike McCarthy:** Well, I think we'll see an erosion of the volunteer blood system if a parallel blood system is introduced. Despite perhaps industry saying that there's a record of no impact, that's untrue. Germany has seen a hollowing out of young donors that will not donate on a volunteer basis. They expect to be paid.

We have a very specific history in Canada, where we had our dirty laundry aired for a dozen years about the tragedy that killed many people and poisoned many others, so we have a very fragile blood system. To sit back and say that nothing would happen to the volunteer blood base is incredibly naive. Certainly when you take into context that this parallel for-profit system would collect a national resource, which is Canadian blood, and then send it on the international market, with no assurances that it would ever come back to Canada or be used in any blood products used for Canadians, the risk is all on us. By allowing it even to be used for research would be an incredible risk to the volunteer blood system.

I don't believe the clinic should survive in any form whatsoever. I believe the Canadian mentality on the safety of the blood system is really what's at stake here, and I think this would be a huge erosion in confidence.

**Mrs. Amrit Mangat:** Just to clarify myself: This is the value, what you're saying, of having a single national body for blood collection?

**Mr. Mike McCarthy:** That's correct.

**Mrs. Amrit Mangat:** Could you elaborate—

**Mr. Mike McCarthy:** Yes. I believe that it's the mandate of Canadian Blood Services, as pointed out by Justice Krever and in the MOU that was created for the creation of Canadian Blood Services, that they are the absolute authority on the collection and distribution of blood and blood products in Canada. For the integrity of that role to be maintained, we cannot diffuse that role and allow it to be handed off to the private sector.

**Mrs. Amrit Mangat:** Thank you.

**The Chair (Mr. Peter Tabuns):** You have 30 seconds, Mr. Fraser.

**Mr. John Fraser:** Thirty seconds? All of 30 seconds. Very quickly, I'm pleased that you brought up the point with regard to—plasma collection here is not going to guarantee that products will be produced or brought back here. We heard that yesterday. Thank you very much for bringing that up. I think it's a very important point when we're having this discussion about a voluntary blood system and a single operator. Thanks for your testimony.

**Mr. Mike McCarthy:** You're welcome, sir.

**The Chair (Mr. Peter Tabuns):** We go to the opposition: Mr. Walker.

**Mr. Bill Walker:** Thank you very much, Mr. McCarthy. Just on that last point: If we could build the legislation so that there were paid donations for the plasma research side of things that stayed in Canada, would you change your stance on that?

**Mr. Mike McCarthy:** No, I would not.

**Mr. Bill Walker:** Can you tell me why?

**Mr. Mike McCarthy:** Because Canadian Blood Services could provide those materials for research to universities and to industry to keep the integrity of a single system.

**Mr. Bill Walker:** We were told yesterday by Canadian Blood Services that they don't have significant amounts to be able to do that, particularly if you start to project out with our population base. So if we had a shortage, would you change your mind?

**Mr. Mike McCarthy:** We do not have a shortage, and there's no foreseeable shortage. I would like to correct something, sir. The Alzheimer research into using IVIG—those clinical trials have failed and they are now closed. There are no active trials using IVIG for Alzheimer's any longer. That is not emerging on the scene any time soon, unfortunately.

I believe that a single collector is the only way to go to ensure the safety and integrity of the blood system. Safety is not just about testing, even though I think I heard plenty about that in terms of the unknown viruses coming into the system. Safety is about supply as well, so if we implement a parallel blood system in Canada, the safety of supply is in question, because we do not know what we do not know. So we need to act upon the principle of risk aversion completely.

**Mr. Bill Walker:** Thank you for that information. If all the other jurisdictions that we currently receive blood from—some of those are paid; some are unpaid—if they were to use the exact same policy, that would restrict the ability for us to bring any other blood into our system. Are you supportive of that happening?

**Mr. Mike McCarthy:** I would suggest that that could never happen. The other models—and there are only four in the world, of all the countries in the world that actually collect plasma from paid donors. It is an economic industry to make these products to sell around the world, so there would be Canadian Blood Service entering actual contracts with manufacturers around the world. Those contracts are binding, so the ability for countries to close their doors to exporting a pharmaceutical product—I have never heard of that.

**Mr. Bill Walker:** But why is that any different than our not having an industry here in Canada?

**Mr. Mike McCarthy:** I think I have pointed out the fact that we have a special history. We failed in attempting to fractionate our own blood products in Canada. That led to Connaught collecting plasma from prisons in the United States to make up the shortfalls. Therefore, the new system is one that protects the public, allows us to get the safest blood products from outside of Canada—because we've learned our lessons—and be able to control what is brought into the country.

**Mr. Bill Walker:** So you're suggesting there are safe systems outside of Canada that actually use paid donors?

**Mr. Mike McCarthy:** I didn't say that. I'd say we should do a better job so that we wouldn't need to use paid donors in the United States or Czechoslovakia or Germany.



**The Chair (Mr. Peter Tabuns):** I'm sorry to say that your time is up. Thank you very much, Mr. McCarthy.

**Mr. Mike McCarthy:** Thank you, sir.

MR. ANDREW CUMMING

**The Chair (Mr. Peter Tabuns):** Our next presenter is Andrew Cumming. Sir, when you sit down, if you would introduce yourself for Hansard. You'll have five minutes—I'll give you a warning when you have one minute left—and then each party has three minutes with you for questions. Please proceed.

**Mr. Andrew Cumming:** Thank you. I'm not very good at talking off the cuff, so I'm going to read a statement.

Members of the Standing Committee on Social Policy, thank you for the opportunity to speak at these hearings about Bill 21. My name is Andrew Cumming, and I am a severe hemophiliac. I became HIV- and hepatitis C-infected from tainted blood products I received in the 1980s, which were derived from paid-for plasma and blood donations. I am one of the very few surviving co-infected hemophiliacs. I speak for the 100 or so fellow hemophilia patients I have known who have died from complications of one or both of these horrible viruses. In fact, every person I went to clinic with, every kid I went to camp with and every other hemophiliac I knew in the 1980s is now dead.

Last fall, I went public with my HIV status in order to speak out with authority on the misguided adventure which was the licensing of the Canadian Plasma Resources clinics to pay for plasma in Toronto. Until that time, I had fiercely protected my HIV status for the sake of my career and my family's safety. When I heard about the imminent opening of the paid plasma clinics, however, I knew that I had to join the chorus of victims and their families in speaking out about this. There are very few of us left to speak out. These viruses have already silenced the valiant voices of James Kreppner and John Plater, among so many others, who, if they were still alive, would not have let this initiative get as far as it has.

May I respectfully remind you that the recommendation against paid plasma and paid blood was made in no uncertain terms by Justice Horace Krever in his commission of inquiry in the 1990s? That commission identified the for-profit harvesting of blood and blood plasma as one of the key factors which resulted in the tainted blood scandal in Canada, and he recommended that we never put aside our commitment to the unpaid donor model for blood in this country.

There is a profound conflict of interest in the combination of the procurement of human tissue and the profit motive. This is why we have laws outlawing payment for any other sorts of human tissue, besides blood. Let me be clear on this point. Prior to the failure of my liver in 2002, I was an investment banking executive on Bay Street. Since my liver transplant in 2005 and subsequent recovery to relative health, I have been running a hedge fund here in Toronto. I am a capitalist, and I fully under-

stand and appreciate the strengths of the capitalist system. As such, I understand that corporations' responsibility is to their shareholders. They are compelled to minimize the cost of goods produced in order to maximize returns to those shareholders.

In the case of blood procurement, this is a conflict. This model leads to seeking those most desperate for the cash payment as the donors. We can see this effect immediately in assessing the neighbourhoods in which Canadian Plasma Resources chose to put their first three clinics.

0920

This is not a partisan issue. I am certain that all Canadians, in their hearts, are thankful for our nearly century-long commitment to freely donated blood and the safety of our blood system. Please do the right thing and get behind this important legislation and expedite its passing. Let's listen to what Justice Krever concluded after five years, hundreds of witnesses and millions of dollars were spent answering the question as to the role paid blood had in the deaths of thousands of Canadians a scant few decades ago.

**The Chair (Mr. Peter Tabuns):** Thank you. We go first to the government. Mrs. McGarry?

**Mrs. Kathryn McGarry:** Thank you very much for your testimony and for coming today. I'm a nurse of over 30 years, so not only did I deliver a lot of blood products and administer them, I also had a stepson who was critically ill at the time and received blood products in the early to mid-1980s. We got that letter and, very fortunately, he tested negative, so very much your story could have been ours. So I certainly see this from a number of different angles. It's very poignant that after the Krever commission we suddenly have all these recommendations about the Canadian blood supply, and now we're dealing with this again. So I certainly understand where you're coming from.

I did want to ask you a couple of questions. I really want you to explain again why it's so critical that we have the system that we've got right now: a single blood collector, a single donor and unpaid, a voluntary donor. What is the benefit of that?

**Mr. Andrew Cumming:** Well, I'm not an expert in these policy matters, okay? I'm a businessman and, as I tried to mention, I basically buried my HIV and hemophilia status for the large majority of my life. Some of you will remember just how difficult it was for people that were known to be HIV-positive in the 1980s. They basically couldn't work, they were often run out of their homes and their children weren't allowed to go to school. So it's something that I've stayed away from.

That having been said, I lived in the United States for 10 years, and one of the things that I—people would ask me, "What's the difference between Canada and the United States?" There were only a few things that I could point to, and one was our health system and our voluntary blood donation system. I'm very proud of it. I think that it's effective. I think that the model whereby the collector of blood nurtures a set of clients who are repeated blood donors—they get known to the system.

As you probably know—I don't know the exact figures, but the vast majority of blood that's donated in this country is donated by a small number of donors who repeatedly give over and over again out of an altruistic impulse; this is strictly for the benefit of their fellow man. I'm not an expert, I must emphasize, but I believe in my heart what Mike said in the last deposition, that if there was a—

**The Chair (Mr. Peter Tabuns):** You have 30 seconds remaining.

**Mr. Andrew Cumming:** —parallel paid donor system, that would undermine the culture of free donations. That's my view on it.

**Mrs. Kathryn McGarry:** Yes, and I understand that some of the paid donors are not necessarily honest with their history. Would you agree with that?

**Mr. Andrew Cumming:** I absolutely would agree with that. If you're in the blood donor clinic because you need the \$20 or \$10 or whatever it is that they're going to pay you, you're absolutely motivated. This is the conflict of interest that I'm speaking of. You're motivated to not be fulsome—

**The Chair (Mr. Peter Tabuns):** I'm sorry. We have to cut you off there and go to the opposition.

**Mrs. Gila Martow:** Thank you very much for coming. The World Federation of Hemophilia has endorsed the Dublin report, which says that they believe there is room for a two-model system. I just wanted your comment on how you felt about that. I assume that you don't agree.

**Mr. Andrew Cumming:** I don't agree. These are debatable points. As everybody knows, there is a paid-donor model working in the United States, for better or for worse. I think that we can do better. I think that we have the cultural proclivity—the interest over the long term—in maintaining our volunteer system, and I think we can do a lot better at making ourselves self-sufficient. I just don't think—

**Mrs. Gila Martow:** Well, we have a great volunteer system for blood collection, but certainly for plasma products we're hearing over and over that 70% is coming in from other countries, and that among that 70%, we know that a significant part of it is paid donors. Are you expecting that, all of a sudden, things are going to be different in Canada if we have the same system of collecting plasma as they're collecting to make the products that we're already purchasing?

**Mr. Andrew Cumming:** I think we can do a better job. I think we can market properly. I've never seen a billboard that suggests that young people from universities, for instance, should be getting on the bandwagon and becoming repeat plasma donors. We don't have enough clinics. We have not supported this model in our country, but it's absolutely wrong-headed, for all the reasons that I've discussed—instead of trying to improve our volunteer donor system, to just capitulate and adopt a very seriously flawed paid donor model, in my view.

**Mrs. Gila Martow:** I just think that, again, like with everything else, it is a risk management system. I agree

with you that there are risks and we would prefer to go with the lowest risk. But I think we have to keep in mind that people can give blood only once every two months, whereas for plasma it's once a week that those same donors are often giving. It's time-consuming. Just the travel time alone is significant, and then the time—we're not able to collect it. I wish I believed that just by having a public awareness campaign, we could collect what we need in a vast country like ours. Thank you very much.

**Mr. Andrew Cumming:** Thanks.

**The Chair (Mr. Peter Tabuns):** All right. Thank you very much.

*Interjection.*

**The Chair (Mr. Peter Tabuns):** Oh, sorry. To my own colleague, sorry. Madame Gélinas, please.

**M<sup>me</sup> France Gélinas:** Thank you for coming. I will continue in the line of questioning that my colleague just did, but just so you know, I was one of those people who donated plasma. Every Wednesday, on my lunchtime, I went down—it was the Red Cross at the time—and I donated plasma. I still have the arms, the scars, to show for it. Then they closed plasma collection in Sudbury, which is where I donated, so that was no longer available to me. I do believe that there are people who would.

You're a businessperson. How do you see us moving forward where we become more self-sufficient in plasma and every other blood product? We keep hearing this 70% coming at us. We're 30% self-sufficient; for 70% we go on the global market, which includes paid donors. Have you got any insight for us?

**Mr. Andrew Cumming:** I don't have any insight particularly. I think it's up to Dr. Sher, who runs Canadian Blood Services, to somehow extract from the government the funding that's necessary in order to put in a sufficient number of clinics and a public awareness campaign so that people understand why it's important that they do this. What you did in Sudbury on your own out of an altruistic impulse I think the vast majority of Canadians would be willing to do if they had access to it. I don't even know where there's a blood pheresis clinic in Toronto—a CBS-run clinic.

We've fallen off here. It needs to be funded. It needs to be taken seriously, and I have no doubt that with the correct resources allocated to the strategy, we'd be able to become self-sufficient.

**M<sup>me</sup> France Gélinas:** So how can it be that there's a for-profit paying for donors who think they can make a business of it? They told us yesterday that they've invested close to \$8 million in Ontario because they thought they could make a business of it. How can it be that the for-profit sees a business, but the not-for-profit doesn't see one?

**Mr. Andrew Cumming:** I don't know the answer to that. I think we have to ask the people who run those not-for-profits. I think there is a not-for-profit business that's very compelling.

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**M<sup>me</sup> France Gélinas:** I agree. The not-for-profit is CBS. But you're right: I've never seen a poster saying,



“Come and donate.” I’ve never seen a recruitment, and there is no way for me, who lives in northern Ontario, to even participate, although I would have gladly continued and I would still do it if I could. Do you believe that CBS will put forward a business model that will change that?

**The Chair (Mr. Peter Tabuns):** I’m sorry to say that your time is up.

**M<sup>me</sup> France Gélinas:** Just say yes or no.

**Mr. Andrew Cumming:** I don’t know. I certainly hope so. I really—

**The Chair (Mr. Peter Tabuns):** I’m sorry, sir. We have to go on to the next person.

**Mr. Andrew Cumming:** Yes, I understand.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

**Mr. Andrew Cumming:** Thank you.

#### COLLEGE OF PHYSICIANS AND SURGEONS OF ONTARIO

**The Chair (Mr. Peter Tabuns):** We have the College of Physicians and Surgeons of Ontario. Good morning.

**Dr. Marc Gabel:** Good morning.

**The Chair (Mr. Peter Tabuns):** As you may know, I ask people to introduce themselves for Hansard. You’ll have five minutes to present, and then there will be three minutes of questions from each party. I give a one-minute warning towards the end of your five minutes, and 30 seconds towards the end of your three minutes. Please proceed.

0930

**Dr. Marc Gabel:** Thank you for this opportunity to appear in front of the committee. I’m Marc Gabel, the president of the College of Physicians and Surgeons of Ontario. Outside of the college, I’m a general practitioner practising in psychotherapy.

With me today are Dr. Rocco Gerace, the college registrar; Vicki White, co-director of our legal office; and Ms. Louise Verity, director of policy and communications for the college.

The college is responsible for regulating the practice of medicine to protect and serve the public interest, and it’s from this perspective that we are responding to Bill 21. Bill 21 is an important piece of legislation. Our submission focuses on the proposed changes to the Regulated Health Professions Act and the Public Hospitals Act portions of the bill. These are the changes that respond to four important requests that we have made for legislative change in the past.

While we support the bill overall, we propose what we consider to be vital amendments to three of these areas. Our amendments are consistent with the submissions from the Federation of Health Regulatory Colleges of Ontario. On all the issues I’m about to discuss, our accompanying written submission provides further context.

Bill 21 proposes improving information-sharing between health regulatory colleges and public health authorities, as well as hospitals. As you know, the issue of information-sharing between health colleges and

public health has recently been in the news. Once passed, colleges will have the clear authority to disclose a breach of infection control practices to public health authorities. The college has long advocated for this change as it will improve patient safety and increase transparency.

While the bill makes some improvements around information-sharing between colleges and hospitals, the current wording will continue to impose unnecessary restrictions. Colleges will only be able to disclose information to a hospital for a “prescribed purpose,” as defined in the regulation. If the regulation is not made and/or not updated on a regular basis, we will not be able to disclose the necessary information. It is challenging for the public to understand why we cannot share important information such as this, and we hope that these barriers will be removed.

Moving next to the issue of mandatory reporting: Hospitals have a duty to report serious concerns about a physician behaviour and/or competence. However, there are several ways that the wording of the RHPA enables would-be reporters to circumvent this requirement.

Bill 21 takes an important step in addressing these inadequacies; however, we suggest minor adjustments to ensure the desired outcome. The enhanced reporting duty now turns on whether the person who grants the membership privileges has “reasonable grounds to believe” that the resignation, relinquishment or restriction is “related to” the member’s misconduct, incompetence or incapacity.

This is a very high legal test. The college therefore recommends changes so reporting is required either when the “reasonable grounds” test is met or when a member either resigns or has restrictions imposed on the member’s privileges during an investigation into the member’s competence.

On the issue of discretion to investigate complaints: Currently, the college is required to investigate all complaints regardless of their seriousness, and this can and does cause delay in our proceedings. The college routinely receives complaints that do not affect patient safety and are unrelated to our duty to protect the public interest. Since 2010, we have sought greater discretion to not investigate in these kinds of situations. For example, complaints such as business disputes between doctors or statements made by a physician in a magazine must currently be fully investigated. Our submission provides additional examples on this issue.

While the amendments in Bill 21 are well intentioned, they will make no meaningful difference. The discretion that is thought about is simply too narrow. The college, together with the Federation of Health Regulatory Colleges of Ontario, recommends—

**The Chair (Mr. Peter Tabuns):** You have one minute.

**Dr. Marc Gabel:** —a public interest threshold for discretion. This is the threshold that has been proposed for complaints against teachers, in the former Bill 103, and for early childhood education workers in the current Bill 10, two professions that can pose great risk to potentially vulnerable children.

If the Legislature felt it was necessary, the public interest could be defined in legislation. A public interest threshold will allow the college to focus resources on serious complaints and those that affect patient safety. We would also suggest important changes to the existing wording in this section, removing “if established,” and changing “could” to “would,” again to permit a slightly broader discretion.

Thank you for the opportunity to present to this committee. We would be pleased to answer any questions you have, either by myself or the folks who have accompanied me here.

**The Chair (Mr. Peter Tabuns):** Thank you. Excellent timing. To the opposition: Mr. Walker.

**Mr. Bill Walker:** Thank you very much. I note that you had provided a submission on May 2 for the former Bill 117 to the government.

**Dr. Marc Gabel:** Yes.

**Mr. Bill Walker:** On a very quick review, it looks like many of the same things that you’re suggesting today are the exact same. In those discussions, did the government come forward and actually agree with any of your recommendations and give you any sense that they were going to amend the policy to actually reflect what you’re asking?

**Dr. Marc Gabel:** I wonder if you might be able to answer that, please.

**Ms. Louise Verity:** Sure. I would say that we have presented our amendments to all parties. At this particular point in the process, it’s really now up to the government to decide what their response is going to be. So they’re probably best to answer that question, because they’re the ones who know the answer—

**Mr. Bill Walker:** Fair enough. I’m trusting they’re not going to give us an answer in this committee. That’s why I was asking you, because it seems to me that they’ve had due time to be able to do this. They could have indicated that yes, it makes—you know, one of them in particular is to change it from the word “hospital” to the word “facility.” That just seems pretty common sense. In a lot of rural areas like mine, it isn’t always a hospital; it’s a clinic or it’s a family health team. That person, regardless of who they work for, if they’re doing something of an indiscretion, should be reportable. I can’t see why the government of the day—and you’ve talked to deputy health ministers, who are pretty consistent in that tenure—couldn’t have given you some assurance that they heard what you were saying and they’re actually going to make this legislation the best that it can be.

**Ms. Louise Verity:** Well, we’re certainly hopeful.

**Mr. Bill Walker:** Well, I’m certainly hopeful along with you. However, we won’t go that far.

Are there any other significant, real pieces that I think they, sitting in the room today, need to truly hear to make sure that this is changed? You’ve given a submission, but are there any that you want to just highlight very strongly?

**Dr. Marc Gabel:** I think I would highlight the discretion, the last thing that I mentioned, as well as the

other changes to allow us to exchange information with hospitals and facilities, because I think that will increase transparency and will allow a much better public regulation.

**Mr. Bill Walker:** Wonderful.

**Mrs. Gila Martow:** I’m going to jump in quick with a quick comment. I’m guessing that it’s very convenient to have the OMA investigate business conflicts or things like that; otherwise, these things are going to end up in the court system, which is certainly not what anybody wants to see. I just wanted to make that comment on the record, that that’s where those disputes would end up otherwise, right?

**Dr. Marc Gabel:** Well, I’m not sure where they would end up, that not being part of my life.

**Mrs. Gila Martow:** As long as it’s not your problem.

**Dr. Marc Gabel:** Yes, but at this point, I know that we end up spending amazing resources on issues that do not affect the public good.

**Mrs. Gila Martow:** Exactly.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Martow. Madame Gélinas.

**M<sup>me</sup> France Gélinas:** Good morning. Thank you for coming. My first question is, in your opening comments, you said, “Our amendments are consistent with the ... Federation of Health Regulatory Colleges of Ontario.” Are they identical or consistent? Am I going to find a difference between the two?

**Ms. Louise Verity:** I can confirm that they are identical.

**M<sup>me</sup> France Gélinas:** Okay. I hadn’t seen any difference, so I was wondering if I had missed one.

**Ms. Louise Verity:** Yes.

**M<sup>me</sup> France Gélinas:** All right. The first changes you want have to do with enabling information-sharing between the college and the hospital. If we are not successful in passing this amendment, can you give me an example of the consequences of that?

**Dr. Marc Gabel:** Yes. I think Dr. Gerace might be best to do that.

**Dr. Rocco Gerace:** Not infrequently, we will get a report from a hospital around the investigation of a physician. As we investigate that physician, that physician is still at the hospital and the hospital will say, “What’s happening?” We now, with the current legislation, have to say, “We can’t tell you.” We think it’s crazy that we shouldn’t be able to share this information with hospitals, given that the doctor is working in that hospital currently. That would be an example that we see frequently.

**M<sup>me</sup> France Gélinas:** All right. The other one: enhanced mandatory reporting to the college—that’s going the other way. What would happen if we don’t agree to the amendment, if the amendments are defeated?

**Dr. Rocco Gerace:** We’ve seen, in the past, issues where there is a negotiated departure of a doctor, negotiated that the doctor will leave the hospital on the condition that it’s not reported to the college. We’ve also seen doctors who have done that go on to another institution and cause harm, and only in retrospect were



we made aware that there had been an issue at a previous hospital.

**M<sup>me</sup> France Gélinas:** Okay. We're talking about hospitals, but I take it you would like to be able to do this information-sharing with anybody who employs your members—an out-of-hospital premise, an independent health facility or anybody else?

**Dr. Rocco Gerace:** Correct.

0940

**M<sup>me</sup> France Gélinas:** Okay. The third one: discretion to investigate complaints. Here again, what are your fears? What would it look like if this amendment is defeated?

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Dr. Marc Gabel:** I think there will be no change in the present process, which, at the moment, means that we are sometimes spending a lot of our resources on issues that have no public interest while issues that are of emergent nature or are very much related to the public have to go through the process. There is just a certain amount of people and money and committee. We have over 50 physicians already doing this kind of investigation. We would feel much better to be able to focus on the things that really affect the public.

**The Chair (Mr. Peter Tabuns):** Thank you. We go to the government: Ms. McGarry?

**Mrs. Kathryn McGarry:** Thank you very much for coming to speak to us today. It's always very helpful to hear about things that might enhance the bill, so I appreciate that.

Could you please speak about how the bill is going to enhance the sharing of critical information between not only the health regulatory colleges but other entities who deal with public health?

**Dr. Rocco Gerace:** Well, I think the two areas that are specifically mentioned are public health departments and hospitals and facilities. When we work in silos, no one benefits. It's absolutely critical that we are able to share this information to assist public health units to either identify matters of infection control or to assist them in their investigation of matters related to infection control.

Similarly, with hospitals, as I mentioned, if a doctor is being investigated, it's in the best interest of the hospital to know the status of that investigation because they have to make a decision regarding the extent of that doctor's practice.

**Mrs. Kathryn McGarry:** Thank you. I'm going to hand it over to my colleague next.

**The Chair (Mr. Peter Tabuns):** Mr. Fraser?

**Mr. John Fraser:** Can you speak a little bit more to how this will help you share information with other facilities and how you'll be able to share between colleges and—

**Dr. Rocco Gerace:** Sure. Well, if we think of public health and infection control issues, currently there is a high threshold that we have to meet in the legislation to be able to share. We think there should be either no threshold or a very low threshold. So we want to be able to tell medical officers of health when we think there is

an infection problem, even if it doesn't rise to the threshold that's currently in the legislation.

**Mr. John Fraser:** One more question: My fellow members have asked questions in terms of your request for discretion, but in terms of situations that you find are either vexatious or technical or business in nature, what kind of processes do you have in place right now to deal with those? You talk about a full investigation, but certainly some things are evident at the start that they belong in another area. Do you refer people to some sort of—

**The Chair (Mr. Peter Tabuns):** Thirty seconds remain.

**Dr. Rocco Gerace:** There is absolutely no discretion currently in the legislation. The legislation says that the committee “shall” investigate every complaint. That's why we're asking for this change: to be able to either move them to the appropriate venue or to, in cases where there simply is no public interest, not deal with them.

**Mr. John Fraser:** Do I still have some time?

**The Chair (Mr. Peter Tabuns):** No. Thank you very much for your presentation this morning.

**Dr. Rocco Gerace:** Thank you.

**Dr. Marc Gabel:** Thank you.

MS. VICTORIA KINNIBURGH

**The Chair (Mr. Peter Tabuns):** Our last presenter this morning is Victoria Kinniburgh. Ms. Kinniburgh, you'll have five minutes to present. I'll give you a heads-up when you've got a minute left, and then there will be three minutes with each party. Please introduce yourself for Hansard.

**Ms. Victoria Kinniburgh:** Good morning. My name is Victoria Kinniburgh. I'd like to thank you for the opportunity to present today. I'm here to speak in favour of passing Bill 21, An Act to safeguard health care integrity by enacting the Voluntary Blood Donations Act.

I'm here on behalf of my two little boys, who have severe hemophilia A and who receive plasma products every other day as part of their treatment. I'm also speaking on behalf of the following families of those who live with or have children who live with a bleeding disorder, and whose treatment is comprised of plasma-derived products: specifically the Gray, Kinniburgh, Graham, Aitken, Chasse, Reid, Deveroux, Flowers, Farzanah, Hamidian, Tham and Naji families. The need for a voluntary and secure blood supply is of vital importance to us and our families.

Approval of a licence for Canadian Plasma Resources or any other private blood collection facility will undermine the integrity of Canada's voluntary blood supply and runs counter to the best interests of Ontarians. The voluntary blood collection system in Ontario is held to a very high standard and speaks to the altruistic nature of Ontarians. A pay-for-plasma system, where a company profits from collection and distribution, will put our voluntary system at risk.

Being part of the bleeding disorder community, we have seen first-hand the devastation experienced by those

who received tainted blood products. I represent the members in our bleeding disorder community who are in favour of maintaining a safe and voluntary blood donation system, as recommended by the Krever inquiry.

A pay-for-plasma system runs counter to key findings and recommendations of the Krever report released in response to Canada's tragic tainted blood scandal. In his findings, Mr. Krever was very specific in outlining key principles by which the Canadian blood supply should be governed.

With these principles in mind, we request that no licence of any kind be granted to Canadian Plasma Resources or other private pharmaceutical companies wishing to do the same. Bill 21 needs to be enacted to ensure that the long-term integrity and security of Ontario's blood supply is safeguarded for future generations.

We do not have a say as to where our children's treatment products are provided from, and of course we would prefer to see that it come from voluntary donors in Canada and would ultimately like to see that this happen with the help of the Canadian Hemophilia Society and Canadian Blood Services. We are committed to working with Canadian Blood Services to develop a national strategy to review options for increasing voluntary blood and plasma donations.

Thank you for your time this morning. On behalf of myself and the families I am here to represent today, I encourage you to pass this important legislation to protect voluntary donations that our colleagues, family, friends and neighbors proudly and selflessly give every day.

**The Chair (Mr. Peter Tabuns):** Thank you very much. We'll start questions with Madam Gélinas.

**M<sup>me</sup> France Gélinas:** Thank you so much for coming this morning. I will ask you a personal question; you don't have to answer if you don't feel comfortable. You mentioned that your children need plasma medication regularly. Has it ever come that it was not available or were you ever made aware that maybe there would be a shortage and they would have to go without?

**Ms. Victoria Kinniburgh:** Absolutely not, no.

**M<sup>me</sup> France Gélinas:** No? And you are aware that—you don't know where those products are coming from; you mentioned that.

**Ms. Victoria Kinniburgh:** I do know where—my one son's is from the US, where I understand there are paid donors. But as I mentioned, we would absolutely prefer it be a Canadian product and from voluntary donors here, and we are committed to working with the necessary levels of government or CBS to put something together to make that happen in Canada.

**M<sup>me</sup> France Gélinas:** You realize that the Canadian Hemophilia Society seems to be at odds with what you're presenting. Where do you figure the divide comes from?

**Ms. Victoria Kinniburgh:** I really can't answer where that divide is coming from on the Canadian level. All I know is that that is not a view that myself, my family, many members of the Ontario bleeding disorder community—that is not how we feel.

**M<sup>me</sup> France Gélinas:** Were you consulted when the Canadian society put their positions forward?

**Ms. Victoria Kinniburgh:** I don't feel that we were appropriately advised. It was sort of that they just came out with, "This is our stance that we're taking," and everyone else is expected to go along with it.

**M<sup>me</sup> France Gélinas:** Since then, with the community you know—is it still divided or are people starting to go more towards one side or another?

**Ms. Victoria Kinniburgh:** In my opinion, from the people that I know in the bleeding disorder community, everyone I speak to seems in favour of this legislation.

**M<sup>me</sup> France Gélinas:** They want to make sure that—

**Ms. Victoria Kinniburgh:** We have a voluntary system.

**M<sup>me</sup> France Gélinas:** All right. That's good. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. To the government: Ms. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much. I think the first blood products that I used to give was at the Hospital for Sick Children for children with hemophilia. This is something that is long in my nursing history, so I appreciate you coming to speak with us today.

0950

The voluntary versus paid blood donor system is really a lot of what we've been hearing about. For yourself, what is the difference, and why is it that there are so many against a paid donor?

**Ms. Victoria Kinniburgh:** I think that we're against a paid system because Canadians altruistically donate plasma and blood because they know that that's the important thing to do, the right thing to do. My concern is that when you have a paid system, they're a business. They're not accountable to the Canadian people like Canadian Blood Services. We don't know that at the first sign of trouble they're not going to shut down and walk away, leaving those who have received the blood products, the end users, in a bad situation again like what happened in the 1980s.

**Mrs. Kathryn McGarry:** Do you believe a paid donor is necessarily fully honest when the medical history is being taken?

**Ms. Victoria Kinniburgh:** No, I don't think that they are.

**Mrs. Kathryn McGarry:** Why is this passage of Bill 21 so important to you, quickly?

**Ms. Victoria Kinniburgh:** It's important to me. As I said, I have two small children who receive blood products. I think we need to maintain a safe and secure blood supply, and I believe that doing so is through a voluntary system.

**Mrs. Kathryn McGarry:** And there has never been any issue with supply for your family?

**Ms. Victoria Kinniburgh:** No.

**Mrs. Kathryn McGarry:** Okay. I'm going to just ask my colleague—

**The Chair (Mr. Peter Tabuns):** Ms. Mangat.



**Mrs. Amrit Mangat:** Thank you for your presentation. My understanding is that you are supportive of the bill.

**Ms. Victoria Kinniburgh:** Yes.

**Mrs. Amrit Mangat:** I'm sure you're aware that there are people who are opposing Bill 21. What would you like to tell them?

**Ms. Victoria Kinniburgh:** I don't know exactly. I guess I would say that I'm not really sure why they're opposing the bill. If blood shortage is a problem, plasma donations are a problem, let's look at a different way to enhance the system. There are lots of people out there who are willing to work towards enhancing that system. We don't believe a paid system is the way to go.

**The Chair (Mr. Peter Tabuns):** Ms. McGarry.

**Mrs. Kathryn McGarry:** I think we've learned a lot of lessons through the Krever commission many years ago, and I guess what you're saying is that you really would prefer to see that the Canadian blood system is a single entity to manage all the blood supply and the donations, for voluntary donations.

**The Chair (Mr. Peter Tabuns):** Thank you, Mrs. McGarry. We've come to the end of the time for the government.

The opposition: Mrs. Martow.

**Mrs. Gila Martow:** Thank you so much for coming. Obviously, you're against a paid system; that's what you have told us. But in the meantime, 70% of our plasma products are coming from a country where they have a paid system. What I would like to know from you is, do you think the government has done enough to promote a strictly volunteer system within Canada, where all blood products, all plasma products, are through a voluntary system, manufactured in Canada, donated in Canada and a guaranteed supply? Because let's face it: If the US does have a shortage, who are they going to cut off first, American citizens or Canadian citizens? So do you think that enough has been done? Because we are sort of dreaming if we think that we can produce our own just on a voluntary basis, without infusing any kind of funding model, which isn't in place right now.

**Ms. Victoria Kinniburgh:** Well, as said, we don't have a choice as to where our son's treatment products are coming from. We're told by Sick Kids, "This is the product you have to use." I think we could do a much better job of working towards setting up a better voluntary system for plasma donations. I know clinics have been closed. My aunt is from Thunder Bay. They rallied to have that clinic stay open, with no help. So I think we can do a much better job, and I think we could have a system that relies on voluntary donors and not a paid system.

**Mrs. Gila Martow:** So don't you find it a little hypocritical if the government is shutting down places to collect voluntary donations from Canadians while we're taking in products from the States?

**Ms. Victoria Kinniburgh:** Well, I think that the government needs to look at that and needs to look at the cutbacks that they're making to the system and realize

that we really should try to be a self-sufficient country with regard to the—

**Mrs. Gila Martow:** We can't have it both ways, can we?

**Mr. Bill Walker:** I just want to jump in, because I think we're much closer than it may appear. My concern as a legislator is that a lot of people have said, "I think we can," "I would suggest," "My belief is that the volunteer system can do it." As a legislator, the day that we don't have that volunteer system—and the government has cut back the voluntary system, so it's interesting—the day that you don't have your blood supply for your children, are you looking at me saying, "Why did you not think of this? Why did you not look at other options?"

**The Chair (Mr. Peter Tabuns):** Thirty seconds.

**Ms. Victoria Kinniburgh:** Well, to be honest, up until very recently, until these paid clinics came out, I wasn't necessarily aware that there was a problem with the blood shortage. It's sort of come out more recently. I guess, really, like I said, I think we can have a voluntary system that works, and we need to look at that now.

**Mr. Bill Walker:** If we don't, though, can you just tell me: Do you want another option in place for your children?

**Ms. Victoria Kinniburgh:** Yes.

**Mr. Bill Walker:** Thank you.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say—

**Ms. Victoria Kinniburgh:** Excuse me. I don't want a paid system. I don't want that system.

**Mrs. Gila Martow:** Well, we're already using a paid system. You are aware.

**The Chair (Mr. Peter Tabuns):** Thank you very much, ma'am. I appreciate your presenting this morning.

**Ms. Victoria Kinniburgh:** Thank you.

**The Chair (Mr. Peter Tabuns):** All of our presenters have presented. We have no one else who is scheduled. I have a few items of business with you.

First, a reminder: The deadline for the public to send in written submissions is at 6 p.m. today. That's December 2. The deadline for committee members to file amendments to the bill with the Clerk is 12 noon tomorrow, December 3.

I have been asked by legislative research: Do you want a summary of the testimony and submissions to date?

**M<sup>me</sup> France Gélinas:** That is like asking us: Would we like Elaine to become superwoman plus-plus? How the heck could she do that in time?

**The Chair (Mr. Peter Tabuns):** Well, I'm asking.

**M<sup>me</sup> France Gélinas:** I'd like to see her in one of those little body suits that says—no, no, I wouldn't.

*Interjections.*

**The Chair (Mr. Peter Tabuns):** Be kind to research. Are you interested? No. Okay. So you won't have to work through the next 24 hours. That's great.

Subcommittee: I've checked; we have to have all members of the subcommittee present. The Liberal member for the subcommittee is not present. She is available at 4 p.m. today. So subcommittee will convene at 4 p.m. today in this room.

**Mrs. Gila Martow:** Who is it?

**The Chair (Mr. Peter Tabuns):** Pardon? Marie-France.

**Mrs. Gila Martow:** Oh, Marie-France. Okay.

**The Chair (Mr. Peter Tabuns):** Yes. Over here, there are some people who are subbed in.

**Mrs. Gila Martow:** Yes, yes. Okay. I was confused.

**The Chair (Mr. Peter Tabuns):** Madame Gélinas?

**M<sup>me</sup> France Gélinas:** Could the Clerk share with us which bills have been referred to our committee so far?

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** We have Bill 13, the Ontario Bike Month Act; Bill 17, the Protecting Child Performers Act; Bill 20, Ryan's Law (Ensuring Asthma Friendly Schools); and Bill 28. So that's Bill 13, Bill 17, Bill 20 and Bill 28, and of course we have Bill 21.

**Mrs. Gila Martow:** What's 28?

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** The Hispanic Heritage Month Act.

**The Chair (Mr. Peter Tabuns):** I will ask the Clerk just to circulate that list to all of you, so that everyone has it.

**M<sup>me</sup> France Gélinas:** So 13 was the bike; 17, child actors; 20 is Ryan's Law; and 28 is Hispanic month?

**The Chair (Mr. Peter Tabuns):** Hispanic Heritage Month, yes.

**M<sup>me</sup> France Gélinas:** Okay. So those have all been referred here?

**The Chair (Mr. Peter Tabuns):** Yes.

**M<sup>me</sup> France Gélinas:** Are you guys interested in doing a bill next week?

*Interjection.*

**The Chair (Mr. Peter Tabuns):** I suggest that we discuss this in subcommittee at 4 o'clock today, and if people want to talk informally, there's no problem at all. But having checked, I gather that the business we have been given to transact in this time is related to Bill 21.

**M<sup>me</sup> France Gélinas:** Ah.

**The Chair (Mr. Peter Tabuns):** So I want to thank everyone who came today and presented. It's very useful to us in the process of working through this law.

With that, the committee stands adjourned until 9 a.m. on Thursday, December 4, 2014.

*The committee adjourned at 0959.*









## CONTENTS

Tuesday 2 December 2014

Safeguarding Health Care Integrity Act, 2014, Bill 21, Mr. Hoskins / Loi de 2014 de sauvegarde de l'intégrité des soins de santé, projet de loi 21, M. Hoskins .....	SP-163
Mr. Mike McCarthy .....	SP-163
Mr. Andrew Cumming .....	SP-166
College of Physicians and Surgeons of Ontario .....	SP-168
Dr. Marc Gabel	
Ms. Louise Verity	
Dr. Rocco Gerace	
Ms. Victoria Kinniburgh .....	SP-170

### STANDING COMMITTEE ON SOCIAL POLICY

#### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Substitutions / Membres remplaçants**

Mr. John Fraser (Ottawa South L)

Mr. Bill Walker (Bruce–Grey–Owen Sound PC)

#### **Clerk / Greffière**

Ms. Valerie Quioc Lim

#### **Staff / Personnel**

Ms. Elaine Campbell, research officer,  
Research Services

1200N  
X014  
-578



SP-7

SP-7

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Thursday 4 December 2014

# Journal des débats (Hansard)

Jeudi 4 décembre 2014

## Standing Committee on Social Policy

Safeguarding Health Care  
Integrity Act, 2014

## Comité permanent de la politique sociale

Loi de 2014 de sauvegarde  
de l'intégrité des soins de santé



Chair: Peter Tabuns  
Clerk: Valerie Quioc Lim

Président : Peter Tabuns  
Greffière : Valerie Quioc Lim



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Thursday 4 December 2014

Jeudi 4 décembre 2014

*The committee met at 0902 in committee room 1.*

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Good morning, honourable members. In the absence of the Chair and Vice-Chair, it is my duty to call upon you to elect an Acting Chair. Are there any nominations? Ms. Forster.

**Ms. Cindy Forster:** I nominate Miss Taylor.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Miss Taylor, do you accept the nomination?

**Miss Monique Taylor:** I do. Thank you.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Are there any further nominations?

There being no further nominations, I declare the nominations closed and Miss Taylor duly elected as Acting Chair of the committee.

**Ms. Cindy Forster:** Lucky you.

**The Acting Chair (Miss Monique Taylor):** Thank you, I think.

SAFEGUARDING HEALTH CARE  
INTEGRITY ACT, 2014LOI DE 2014 DE SAUVEGARDE  
DE L'INTÉGRITÉ DES SOINS DE SANTÉ

Consideration of the following bill:

Bill 21, An Act to safeguard health care integrity by enacting the Voluntary Blood Donations Act, 2014 and by amending certain statutes with respect to the regulation of pharmacies and other matters concerning regulated health professions / Projet de loi 21, Loi visant à sauvegarder l'intégrité des soins de santé par l'édiction de la Loi de 2014 sur le don de sang volontaire et la modification de certaines lois en ce qui concerne la réglementation des pharmacies et d'autres questions relatives aux professions de la santé réglementées.

**The Acting Chair (Miss Monique Taylor):** Good morning. The Standing Committee on Social Policy will now come to order. We are here for clause-by-clause consideration of Bill 21, An Act to safeguard health care integrity by enacting the Voluntary Blood Donations Act, 2014 and by amending certain statutes with respect to the regulation of pharmacies and other matters concerning regulated health professions.

Please note that at 2 p.m., I will be required to interrupt proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendments

thereto. From that point forward, those amendments which have not yet been moved shall be deemed to have been moved. Any division required shall be deferred until all remaining questions have been put and taken into succession, with one 20-minute waiting period allowed, pursuant to standing order 129(a).

Are there any comments or questions before we get into section 1? Okay. Section 1, section 2 and section 3—there do not seem to be any amendments. Can we group those together?

Shall sections 1 to 3 carry? Carried.

Schedule 1, section 1: no amendment. Shall it carry? Carried.

Schedule 1, section 2: no amendment. Shall it carry? Carried.

Schedule 1, section 3: There is a PC amendment. I recognize Mr. Walker.

**Mr. Bill Walker:** I move that subsection 3(3) of the Voluntary Blood Donations Act, 2014, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Exemptions

“(3) Canadian Blood Services, the individuals who give blood to Canadian Blood Services and any other persons or entities designated by Canadian Blood Services are exempt from subsections (1) and (2).”

**The Acting Chair (Miss Monique Taylor):** Any discussion?

**Mr. John Fraser:** I can't support this motion, because I think the exemptions inside the legislation are broad enough right now to cover, so this amendment is not necessary.

**The Acting Chair (Miss Monique Taylor):** Any other further debate?

**Mr. Bill Walker:** Are we able to plead? I think what we're trying to do is make a friendly amendment that works with the proposed legislation. It enjoys the support of the PPTA and other key stakeholders. At the end of the day, what we want is to ensure that Canadian Blood Services, health care providers and all Ontarians have access to a safe supply of plasma.

**Mr. John Fraser:** Yes, and—

**The Chair (Miss Monique Taylor):** Mr. Fraser?

**Mr. John Fraser:** Sorry. Thank you. I get ahead of myself here sometimes.

**The Acting Chair (Miss Monique Taylor):** That's okay.



**Mr. John Fraser:** I can appreciate that. I think what I'm saying is that the exemptions that exist for CBS are broad enough. It's already captured. We don't need to amend.

**The Acting Chair (Miss Monique Taylor):** Any other further comments? Shall we vote?

Shall schedule 1, subsection—

*Interjection.*

**The Acting Chair (Miss Monique Taylor):** Oh, I'm sorry. Shall the motion carry? All in favour? All those opposed? Motion lost.

Shall schedule 1, section 4, carry?

**Interjection:** No, we're on 4.

**The Acting Chair (Miss Monique Taylor):** I'm sorry. All right. I get it.

Shall schedule 1, section 4, carry as amended—it's not amended. Okay.

Shall schedule 1, section 3 carry? All those in favour? All those opposed? Carried.

Schedule 1, section 4: no amendments. Shall it carry? Carried.

We can group schedule 1, section 5, to schedule 1, section 15. Are you in agreement to group them? No amendments. Carried.

Shall schedule 1, section 5, to schedule 1, section 15, carry? Carried.

In schedule 1, section 16 there's an NDP amendment. Ms. Forster?

**Ms. Cindy Forster:** I move that section 16 of schedule 1 to the bill be struck out and the following substituted:

“Commencement

“(16) The act set out in this schedule comes into force on the day the Safeguarding Health Care Integrity Act, 2014, receives royal assent.”

**The Acting Chair (Miss Monique Taylor):** Any discussion? Mr. Walker?

**Mr. Bill Walker:** I have one question. My documentation doesn't have what the current is. Can you just tell me what is changing?

**Ms. Cindy Forster:** Actually, under the proposed bill, it says that “the act set out in this schedule comes into force on a day to be named by proclamation of the Lieutenant Governor,” and “Sections 13 and 14 come into force on the day the Safeguarding Health Care Integrity Act, 2014 receives royal assent.”

**The Acting Chair (Miss Monique Taylor):** Any further discussion?

**Ms. Cindy Forster:** Well, the reason for this amendment, actually, is to make sure that this moves forward very quickly. You know we've been talking about it for a number of years, and I think it's important to ensure that it happens immediately upon receiving royal assent.

**The Acting Chair (Miss Monique Taylor):** Further debate? Ms. McGarry.

0910

**Mrs. Kathryn McGarry:** Thank you very much. The government is comfortable with this schedule 1 coming into force as soon as possible.

**The Acting Chair (Miss Monique Taylor):** Anything further? Shall the motion carry? Carried.

Shall schedule 1, section 16, as amended, carry? Carried.

Schedule 1, section 17: I'm not seeing any amendments. Shall it carry? Carried.

Shall schedule 1, as amended, carry? Carried.

Schedule 2: Sections 1, 2 and 3 have no amendments. Shall we group them together? Is that fine with you?

**Mr. John Fraser:** Sections 1, 2 and 3?

**The Acting Chair (Miss Monique Taylor):** Schedule 2, sections 1, 2 and 3 have no amendments. Group them together?

**Mr. John Fraser:** Yes. That doesn't include section 3.1, right?

**The Acting Chair (Miss Monique Taylor):** No, no. It doesn't include that.

**Mr. John Fraser:** Perfect. I just wanted to be sure.

**The Acting Chair (Miss Monique Taylor):** Okay. Shall schedule 2, sections 1, 2 and 3 carry? Carried.

Schedule 2, section 3.1, an NDP motion: Ms. Forster?

**Ms. Cindy Forster:** “I move that schedule 2 to the bill be amended by adding the following section:

“3.1 The act is amended by adding the following section:

““Group purchasing organizations and shared services organizations

“122(1) This section applies in respect of,

“(a) organizations whose shareholders or members include one or more hospitals and which enter into agreements with one or more health care organizations for purposes relating to procurement of drugs; and

“(b) other prescribed organizations.

“Application of Broader Public Sector Accountability Act, 2010

“(2) An organization to which this section applies is deemed to be an employer for the purposes of the application of part II.1 (Compensation Arrangements) of the Broader Public Sector Accountability Act, 2010.

“Application of Public Sector Salary Disclosure Act, 1996

“(3) An organization to which this section applies is deemed to be an employer for the purposes of the definition of ‘employer’ in subsection 2(1) of the Public Sector Salary Disclosure Act, 1996.

“Auditor General

“(4) The Auditor General may, at any time, audit any aspect of the operations of an organization to which this section applies.

“Regulations

“(5) The Lieutenant Governor in Council may make regulations prescribing organizations for the purposes of clause (1)(b).”

**The Acting Chair (Miss Monique Taylor):** Thank you, Ms. Forster. This motion is out of order because it is outside of the scope of the bill.

**Ms. Cindy Forster:** Am I able to actually speak to it?

**The Acting Chair (Miss Monique Taylor):** No, I'm sorry. It's out of order.

**Ms. Cindy Forster:** That's unfortunate.

**The Acting Chair (Miss Monique Taylor):** Thank you, Ms. Forster.

We have schedule 2, sections 4, 5, 6 and 7. I see no amendments. Can we group them? May they carry? Good; carried.

Schedule 2, section 8: I see a government amendment. Anybody to speak to that? So schedule 2, section 8, government clause 33(c)—

**Mrs. Amrit Mangat:** Which section?

**The Acting Chair (Miss Monique Taylor):** Number 4 in your package.

**Mrs. Amrit Mangat:** Motion number 4?

**Mr. John Fraser:** Number 4? Okay, got it. We've got it here.

**The Acting Chair (Miss Monique Taylor):** Mr. Fraser?

**Mr. John Fraser:** "I move that section 8 of schedule 2 to the bill be struck out and the following substituted:

"8. Section 33 of the Public Hospitals Act is amended by striking out 'or' at the end of clause (b), by repealing clause (c) and by substituting the following:

"(c) a physician resigns from a medical staff of a hospital or restricts his or her practice within a hospital and the administrator of the hospital has reasonable grounds to believe that the resignation or restriction, as the case may be, is related to the competence, negligence or conduct of the physician; or

"(d) a physician resigns from a medical staff of a hospital or restricts his or her practice within a hospital during the course of, or as a result of, an investigation into his or her competence, negligence or conduct,"

**The Acting Chair (Miss Monique Taylor):** Any discussion? Ms. Martow.

**Mrs. Gila Martow:** I just think that it's discouraging physicians from taking a leave while there's an investigation going on, which is what I think we would want.

**Mr. John Fraser:** The proposed motion—

**The Acting Chair (Miss Monique Taylor):** Mr. Fraser.

**Mr. John Fraser:** Thank you. Sorry. We'll get this right.

**The Acting Chair (Miss Monique Taylor):** It's all good.

**Mr. John Fraser:** It's just the cadence and the—I'll slow down a little bit.

I think the intent of this motion is obvious. It's to strengthen the hospital's duty and powers to report. That's why we put the motion forward. I appreciate your point of view, but I think it's important we do this.

**The Acting Chair (Miss Monique Taylor):** Any further discussion?

**Mrs. Gila Martow:** I'm just worried about unintended consequences.

**The Acting Chair (Miss Monique Taylor):** Ms. Mangat.

**Mrs. Amrit Mangat:** I think the government's motion 4 and opposition motions 5 and 6 would achieve the

same policy objectives, but government motion 4 is more clear and precise.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Shall we vote?

*Interjection.*

**The Acting Chair (Miss Monique Taylor):** Sorry?

**Mr. Bill Walker:** Can I just get some clarity on that? I just want to make sure I'm not missing something, because we have a motion—

**The Acting Chair (Miss Monique Taylor):** Yes. Thank you, Mr. Walker. Please go ahead.

**Mr. Bill Walker:** Yes. This is all new to me, so I wanted to make sure we're not missing something, because we do have a motion that we'd like to introduce on schedule 2 to section 8, clause 33.

**The Acting Chair (Miss Monique Taylor):** I believe all three parties actually have something in the same spot.

**Mr. Bill Walker:** Yes, but you're not grouping anything there?

**Mr. John Fraser:** No.

**The Acting Chair (Miss Monique Taylor):** No.

**Mr. Bill Walker:** Okay. I just wanted clarity.

**The Acting Chair (Miss Monique Taylor):** This would just be on the government's clause 33 motion.

**Mr. Bill Walker:** Thank you.

**The Acting Chair (Miss Monique Taylor):** Shall we vote on this clause? All in favour? All opposed? Carried.

We'll move on to the PC motion for the same section. Number 5: Mr. Walker.

**Mr. Bill Walker:** I move that clause 33(c) of the Public Hospitals Act, as set out in section 8 of schedule 2 to the bill, be struck out and the following substituted:

"(c) a physician resigns from a medical staff of a hospital or restricts his or her practice within a hospital during the course of or as a result of a formal or informal investigation into his or her competence, negligence or conduct, or where a physician resigns from a medical staff of a hospital or restricts his or her practice within a hospital and the administrator of the hospital has reasonable grounds to believe that the resignation or restriction, as the case may be, is related to the competence, negligence or conduct of the physician,"

**The Acting Chair (Miss Monique Taylor):** Any discussion? Ms. Mangat.

**Mrs. Amrit Mangat:** Government motion 4 achieves the same policy objective as this PC motion, but the government motion is more clear and precise.

**The Acting Chair (Miss Monique Taylor):** Any further discussion?

**Mr. Bill Walker:** We just want to make sure that it's clear that at this point there's no requirement for the hospital to report this to the CPSO, even if there are serious concerns. We want that mandatory reporting duty in cases where the CPSO will not be informed where these concerns or changes to privileges and patients may continue to be at risk as a physician could continue to practise at another facility.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Ms. Mangat.



**Mrs. Amrit Mangat:** The language of the government's motion 4 is consistent with the issues put forward by stakeholders while also ensuring that the requirements of the mandatory reporting obligations are clear to public hospitals.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Okay. Shall we vote on PC clause 33(c), number 5? All in favour? All opposed? The motion is lost.

We'll move on to page 6, which would be the NDP motion. Ms. Forster?

**Ms. Cindy Forster:** I'll withdraw that amendment.

**The Acting Chair (Miss Monique Taylor):** Withdrawn.

Okay. Shall schedule 2, section 8, as amended, carry? All those in favour? All those opposed? Carried.

0920

Schedule 2, section 9: I see no amendments. Shall it carry? Carried.

Schedule 2, section 10: There is a PC motion on page 7. Mr. Walker.

**Mr. Bill Walker:** I move that clauses 36(1)(d.1) and (d.2) of the Regulated Health Professions Act, 1991, as set out in section 10 of schedule 2 to the bill, be struck out and the following substituted:

"(d.1) to a public hospital that employs or provides privileges to a member of a college or to a person who operates a facility where a member practises, where the college is investigating a complaint about that member or where the information was obtained by an investigator appointed pursuant to subsection 75(1) or (2) of the code, subject to the limitations, if any, provided for in regulations made under section 43;

"(d.2) to a person other than a public hospital or person mentioned in clause (d.1) who belongs to a class provided for in regulations made under section 43, where a college is investigating a complaint about a member of the college or where the information was obtained by an investigator appointed pursuant to subsection 75(1) or (2) of the code, subject to the limitations, if any, provided for in the regulations;"

**The Acting Chair (Miss Monique Taylor):** Any discussion?

**Mr. Bill Walker:** I can just provide some rationale. The idea is designed to respond to the four issues that the college and the Federation of Health Regulatory Colleges of Ontario brought to the government's attention. I'm just going to outline those, if I could, to put them on the record:

- to enable health regulatory colleges to more readily share information with public health authorities when health protection concerns have been identified;

- to permit colleges to share information with hospitals related to investigations;

- to enhance mandatory reports to health colleges to better protect patients by closing some existing gaps; and

- to permit flexibility to focus college investigation of complaints, limited with discretion.

**The Acting Chair (Miss Monique Taylor):** Ms. McGarry.

**Mrs. Kathryn McGarry:** The inclusion of the language "facility where a member practises" would expand the scope of the provision beyond the public hospitals into a variety of different settings, each with its own different circumstances.

The existing language in Bill 21 would allow government to expand the list of other persons with whom the colleges would be able to share the information via regulation. The current wording of Bill 21 would also permit the purpose for which the information could be shared to be set out in regulation, as well as to set out potential limits upon the sharing of such information if and where that's appropriate. It would also provide the government with flexibility to tailor the approach of such sharing of information in different contexts and to consult with the affected stakeholders in the process of doing so. In the development of all these regulations, the ministry would look to coordinate and consult with relevant stakeholders as part of the regulatory development process.

**The Acting Chair (Miss Monique Taylor):** Any further discussion?

**Mr. Bill Walker:** Yes, Chair, please.

**The Acting Chair (Miss Monique Taylor):** Mr. Walker.

**Mr. Bill Walker:** The rationale, again—there are two points I would like to just put on the record. The CPSO is concerned that disclosure of information to public hospitals and other entities could be done only for a prescribed purpose provided for in regulation. Therefore, if the regulation is not made or is not updated on a regular basis, the CPSO will not be able to address emerging concerns or make a disclosure under these provisions. In addition, adequate protection is already included in the provision because it is explicitly subject to limitations prescribed in the regulations.

Currently under Bill 21, disclosure will only be permitted to a public hospital that employs or provides privileges to a member. For members who are practising in other health care settings, such as a long-term-care home, or who are practising in a hospital but are not employed or provided privileges there, disclosure will not be permitted. Therefore, the college recommends that 36(d.1) should be amended to include disclosure to facility operators.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Okay, shall we vote on—

**Mrs. Kathryn McGarry:** No—sorry.

**The Acting Chair (Miss Monique Taylor):** Oh. Sorry, Ms. McGarry.

**Mrs. Kathryn McGarry:** That's okay. I don't have a very long arm.

I just wanted to reiterate that the inclusion of the language "facility where a member practises" does expand the scope of the provision beyond the public hospitals into a variety of settings, and also that in the development of the regulations, the ministry would look

to coordinate and consult with relevant stakeholders as part of the regulatory development process.

**The Acting Chair (Miss Monique Taylor):** Further discussion? Okay. Shall we vote on the motion? All in favour? All opposed? The motion is lost.

There's an NDP motion. Ms. Forster?

**Ms. Cindy Forster:** I move that clauses 36(1)(d.1) and (d.2) of the Regulated Health Professions Act, 1991, as set out in section 10 of schedule 2 to the bill, be struck out.

**The Acting Chair (Miss Monique Taylor):** Any discussion? Yes, Ms. Forster?

**Ms. Cindy Forster:** We know that health care workers and colleges all took issue with the government on the overuse of the regulatory provisions in this section when they made presentations. People have no idea what the term "prescribed purposes" will actually mean. It's one of those kinds of grey definitions that we know will create problems in the future as it appears in the original bill. That phrase has caused a lot of concern for many people because it's an exception to allow the disclosure of information, but it's not specific and it's left entirely to regulations.

Secondly, the committee actually heard from organizations that were quite concerned about the impact that this provision would have and would prefer to leave the existing provisions in place, at least until there's greater consultation with this sector.

So we're moving this amendment to actually allow for further consultations to occur and for those concerns of front-line staff to be better addressed.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Ms. Mangat?

**Mrs. Amrit Mangat:** The government has heard from the health regulatory colleges that the enhanced information sharing provisions are necessary in order to more fully and completely support their public protection mandate.

Further, the government supports facilitating the ability of the colleges and hospitals, both of which are responsible for the promotion of patient safety, to share critical information that may affect the safety and quality of patient care so that potential issues within the hospital could be addressed more efficiently, and so that the systemic information can be shared with hospitals regarding potential improvements concerning their own internal operations and processes.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Shall the motion carry? All in favour? All opposed? The motion is lost.

Shall schedule 2, section 10 carry? All in favour? All opposed? Carried.

Schedule 2, section 11: There is PC motion 9. Mr. Walker.

**Mr. Bill Walker:** I move that clause 43(1)(g.1) of the Regulated Health Professions Act, 1991, as set out in section 11 of schedule 2 to the bill, be amended by striking out "prescribing purposes and" at the beginning.

**The Acting Chair (Miss Monique Taylor):** Any discussion? Ms. Mangat.

**Mrs. Amrit Mangat:** The government is committed to the approach taken with regard to the increased ability of health regulatory colleges to share important information with the public hospitals and with other entities in the health sector.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Mr. Walker?

**Mr. Bill Walker:** I'd like to put on the record that this amendment was brought forward by the College of Physicians and Surgeons of Ontario—CPSO—and the Federation of Health Regulatory Colleges of Ontario, FHRCO.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Shall the motion carry? All in favour? All opposed? The motion is lost.

NDP motion, page 10: Ms. Forster.

**Ms. Cindy Forster:** I'll withdraw this motion.

**The Acting Chair (Miss Monique Taylor):** Okay, so there are no amendments. Shall schedule 2, section 11 carry? All in favour? All opposed? Carried.

Schedule 2, section 12: Page 11 is an NDP motion. Ms. Forster.

**Ms. Cindy Forster:** I move that subsection 25(5) of schedule 2 to the Regulated Health Professions Act, 1991, as set out in section 12 of schedule 2 to the bill, be struck out and the following substituted:

"Complainant to be informed

"(5) The registrar shall give a complainant notice of receipt of his or her complaint and a general explanation of the processes of the college, including the jurisdiction and role of the Inquiries, Complaints and Reports Committee and the power of the registrar to make a determination that it is not reasonable to believe that the allegations contained in the complaint would constitute professional misconduct, incompetence or incapacity on the part of the member, or that the complaint does not warrant further investigation or it is not in the public interest to investigate the complaint further, together with a copy of the provisions of sections 28 and 29."

0930

**The Acting Chair (Miss Monique Taylor):** Any discussion?

**Ms. Cindy Forster:** Yes. This amendment was recommended to the committee by the CPSO. The CPSO asked the committee to incorporate a public interest threshold for complaints they receive. By adopting this amendment, the college will have the ability to not investigate complaints that do not advance the public interest. For instance, if two physicians are complaining about their internal business practices and it has nothing to do with the public, the CPSO would be able to say that they would not investigate that kind of frivolous complaint.

**The Acting Chair (Miss Monique Taylor):** Ms. McGarry.

**Mrs. Kathryn McGarry:** Rather than making revisions in a piecemeal way, the government would like to hold off on making such changes to these portions of the legislation in Bill 21 until any and all possible



changes to this aspect of the legislation have been brought forward and evaluated. The government wishes to ensure that any potential changes made to the legislation are wholly consistent with the government's ongoing commitment to increased transparency and accountability. I think since this legislation was first drafted, the climate has changed, and we want to make sure that we take a broader and a better look at the transparency.

Since the introduction, as I said, the government has taken a number of initiatives that could potentially result in consideration of further legislative changes to the Regulated Health Professions Act, 1991, including with respect to the manner in which complaints from members of the public are dealt with in the future. The Ministry of Health and Long-Term Care is currently working with colleges to examine ways of ensuring that more information is released to the public so that patients can make an informed decision about the professionals from whom they receive health care services.

**The Chair (Miss Monique Taylor):** Further discussion? Ms. Forster.

**Ms. Cindy Forster:** I would only say to that that the CPSO has been advocating for this change for more than four years, and the government introduced this legislation in July, and they've had plenty of time to get their act together.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Ms. McGarry.

**Mrs. Kathryn McGarry:** I would agree that, yes, this legislation has been in front for a while. But since some things have come to light in the media in the last couple of months, they want to take a closer look, to make sure that we have this right going forward. It has really been very recent changes of some of the situations that have been out there in the public in the last couple of months, so that's why—instead of a piecemeal way—they want to really tighten up on this section.

**The Acting Chair (Miss Monique Taylor):** Further discussion? Shall the motion carry?

All in favour? All opposed? The motion is lost.

The next motion is an NDP motion on page 12. Ms. Forster.

**Ms. Cindy Forster:** I move that subsection 25(7) of schedule 2 to the Regulated Health Professions Act, 1991, as set out in section 12 of schedule 2 to the bill, be struck out and the following substituted:

"No selection of a panel

"(7) Despite subsection (1), the chair of the Inquiries, Complaints and Reports Committee shall not select a panel of the committee to investigate a complaint where the registrar has determined that,

"(a) it is not reasonable to believe that the allegations contained in the complaint would constitute professional misconduct, incompetence or incapacity on the part of the member;

"(b) the complaint does not warrant further investigation; or

"(c) it is not in the public interest to investigate the complaint further."

**The Acting Chair (Miss Monique Taylor):** Any discussion? Ms. Forster.

**Ms. Cindy Forster:** This amendment was also recommended to the committee by CPSO and is consequential to establish a public interest threshold for the investigation of complaints.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Shall the motion carry?

All in favour? All opposed? The motion is lost.

The next motion is a PC motion on page 13: Mr. Walker.

**Mr. Bill Walker:** I move that subsections 25(5) and (7) of schedule 2 to the Regulated Health Professions Act, 1991, as set out in section 12 of schedule 2 to the bill, be struck out and the following substituted:

"Complainant to be informed

"(5) The registrar shall give a complainant notice of receipt of his or her complaint and a general explanation of the processes of the college, including the jurisdiction and role of the Inquiries, Complaints and Reports Committee and the power of the registrar to make a determination that it is not reasonable to believe that the allegations contained in the complaint would constitute professional misconduct, incompetence or incapacity on the part of the member, or that the complaint does not warrant further investigation or it is not in the public interest to investigate the complaint further, together with a copy of the provisions of sections 28 to 29.

"No selection of a panel

"(7) Despite subsection (1), the chair of the Inquiries, Complaints and Reports Committee shall not select a panel of the committee to investigate a complaint where the registrar has determined that,

"(a) it is not reasonable to believe that the allegations contained in the complaint would constitute professional misconduct, incompetence, or incapacity on the part of the member; or

"(b) the complaint does not warrant further investigation or it is not in the public interest to investigate the complaint further."

**The Acting Chair (Miss Monique Taylor):** Thank you, Mr. Walker. Any discussion?

**Mr. Bill Walker:** Yes, please.

**The Acting Chair (Miss Monique Taylor):** Mr. Walker.

**Mr. Bill Walker:** Just a bit of background, Chair: This amendment was brought forward by the College of Physicians and Surgeons of Ontario and the Federation of Health Regulatory Colleges of Ontario.

The bill permits the registrar to decline to forward a complaint to the Inquiries, Complaints and Reports Committee, ICRC, where the registrar determines that it is not reasonable to believe that the complaint, if established, could constitute professional misconduct, incompetence or incapacity on the part of the member. The registrar's determination must be made within 30 days and the complainant would have 30 days within which to appeal to the ICRC.

Currently the college is obligated to undertake an investigation of all complaints unless they're deemed to

be frivolous or vexatious, regardless of their seriousness, and this can cause delays in dealing with more serious matters. For example, the college routinely receives complaints that are related to issues that do not affect patient safety and are unrelated to our duty to protect the public interest. These might include complaints regarding business disputes between doctors, statements made by a physician in a magazine, or the patient waiting an hour in a waiting room to see a physician. The college is seeking the ability to not investigate these complaints that consume valuable resources but do not advance the public interest.

The new discretion contained in Bill 21 is narrow and insufficient. That said, Bill 21 contains an appropriate appeal process for this discretion category of complaints.

The rationale: As noted above, section 12 of schedule 2 in Bill 21 provides a new but extremely narrow discretion. It would not have the intended effect of giving colleges the ability to focus resources where they can have the greatest impact, as it would require the more complete investigations in the case examples provided above.

Under Bill 21, subsection 25(5), the registrar must make a determination that it is not reasonable to believe that the allegation contained in the complaint, if established, could constitute professional misconduct, incompetence or incapacity on the part of the member. In order to exercise his or her discretion to not appoint a panel, this threshold would provide little change.

In order for the bill to meet its intended goals, the college has drafted an amendment that works with the existing provision of Bill 21 and incorporates a public interest threshold, as is currently proposed in Bill 10 and in former Bill 103. Bill 10 proposed a modernized and strengthened oversight of the Ontario child care sector and early years system. Former Bill 103 proposed to strengthen and modernize the disciplinary process of the Ontario College of Teachers.

The CPSO is seeking the ability to not investigate these complaints that consume valuable resources but do not advance the public interest. The new discretion contained in Bill 21 is narrow and insufficient. That said, Bill 21 contains an appropriate appeal process for this discretion category of complaints.

We just want to make sure that they're able to work on the most important things. I think everyone in this room would agree that if someone's complaining about sitting in a waiting room for an hour or about an article in a newspaper or a magazine, it's not really where valuable resources should be put. They should be with things that are front-line patient care.

**Mrs. Gila Martow:** If I could just comment?

**The Acting Chair (Miss Monique Taylor):** Ms. Martow.

**Mrs. Gila Martow:** We want to focus the resources on patient safety. I can share with you very, very quickly that a surgeon was accused of having his assistant from his clinic do an operation when that assistant never even set foot in a hospital. It was obvious that this was a very

strange circumstance. It went through weeks and weeks of hearings, and then in the end, somebody bothered to ask the patient, "Well, you know, everybody says that this person was never seen in the hospital, let alone the operating room. Why are you suggesting it?" And he said, "Because my God told me."

It becomes these sort of strange circumstances where people are having maybe mental illness breakdowns and things like that, and the College of Physicians and Surgeons is spending weeks of their time when they were warned that there were other circumstances involved.

I think their hands get tied and they get forced to investigate some strange circumstances that really aren't about patient safety.

0940

**The Acting Chair (Miss Monique Taylor):** Thanks, Mrs. Martow. Further discussion? Mr. Fraser.

**Mr. John Fraser:** I waited.

Thank you. I appreciate the motion. We will not be supporting the motion. I think, in the public interest in terms of transparency, that we need to take a harder look at these things—about extending discretion. I think it's a fair and reasonable thing to do. I appreciate the amendment, though.

**The Acting Chair (Miss Monique Taylor):** Any further discussion? Okay.

Shall the motion carry? All in favour? All opposed? The motion is lost.

The next one is also a PC motion, on page 14 Mr. Walker.

**Mr. Bill Walker:** I move that subsection 25(9) of schedule 2 to the Regulated Health Professions Act, 1991, as set out in section 12 of schedule 2 to the bill, be amended by striking out "30 days" and substituting "14 days".

**The Acting Chair (Miss Monique Taylor):** Any discussion?

**Mr. Bill Walker:** Yes, please, Chair.

**The Acting Chair (Miss Monique Taylor):** Mr. Walker.

**Mr. Bill Walker:** This amendment was brought forward by the College of Physicians and Surgeons of Ontario and the Federation of Health Regulatory Colleges of Ontario. The college is concerned about the time permitted for this new step. Complaints are supposed to be dealt with within 150 days, with a 60-day extension. A 30-day appeal process will make it increasingly difficult to meet this timeline.

The colleges suggest that complainants be given 14 days to decide whether to request a review. A 30-day appeal process will make it increasingly difficult to meet this timeline. Again, we suggest that 14 days be given to decide whether to request a review.

**The Acting Chair (Miss Monique Taylor):** Thank you, Mr. Walker. Any discussion? Ms. Forster.

**Ms. Cindy Forster:** We know that this amendment was suggested by the CPSO, and we certainly understand and respect the argument that they're making. However, we're going to have to oppose it. We don't think that the



30 days, as stipulated, is problematic. I think the most important piece is to ensure that complainants have a fair process, and to see that maintained.

**The Acting Chair (Miss Monique Taylor):** Further discussion?

Okay, we'll vote on the motion. All in favour? All opposed? The motion is lost.

The next one is a notice from the government. Mr. Fraser?

**Mr. John Fraser:** Yes. Madam Chair, I'd like to group together the motions in schedule 2, section 12; schedule 2, section 13; schedule 2, section 14; schedule 2, section 15; and schedule 2, section 16.

**The Acting Chair (Miss Monique Taylor):** That's great, but before we do that there was a notice put forward by the government, on page 15. Is there discussion on that?

*Interjections.*

**The Acting Chair (Miss Monique Taylor):** No discussion on that, then? Is that what you're saying? Sorry; Ms. Mangat?

**Mrs. Amrit Mangat:** No.

**The Acting Chair (Miss Monique Taylor):** Okay. Ms. Forster?

**Ms. Cindy Forster:** No discussion on what?

**The Acting Chair (Miss Monique Taylor):** On the notice.

**Ms. Cindy Forster:** On grouping the five together?

**The Acting Chair (Miss Monique Taylor):** Right. I thought that the notice should be spoken into the record, but now I'm understanding that it's just—

**Mrs. Amrit Mangat:** It's grouping them.

**The Acting Chair (Miss Monique Taylor):** Grouping everything together, yes.

**Ms. Cindy Forster:** So the original amendments are going to be read into the record?

**The Acting Chair (Miss Monique Taylor):** Everything was lost, so there are no amendments.

**Mr. John Fraser:** There are no amendments, just the section as—

**The Acting Chair (Miss Monique Taylor):** It would be the section as a whole, so I have a notice from the government—

**Mr. John Fraser:** We can go through each one if you like, and we can read through it, if you'd prefer to do it—

**Mr. Bill Walker:** This isn't time allocation.

**Mr. John Fraser:** No—

**The Acting Chair (Miss Monique Taylor):** No, but we will fall into that.

**Mr. John Fraser:** —but what I'm suggesting is that there's—

**Ms. Cindy Forster:** Well, I just want to actually speak to them, but—

**Mr. John Fraser:** Sure.

**The Acting Chair (Miss Monique Taylor):** Yes, so you have the opportunity to discuss them now.

*Interjection.*

**The Acting Chair (Miss Monique Taylor):** Yes.

**Ms. Cindy Forster:** Well, I think it's very weird—odd. Are you going to be reading these in?

**Mr. John Fraser:** We can, yes.

**The Acting Chair (Miss Monique Taylor):** We don't have to, though, and she does have the opportunity to speak to it.

**Mr. John Fraser:** If you would prefer to go through each one, we—

**Ms. Cindy Forster:** No, I don't care.

**The Acting Chair (Miss Monique Taylor):** Hold on. Wait. Excuse me—

**Ms. Cindy Forster:** I'm happy that you're grouping them together, but I just want to make sure that I have the opportunity just to get on the record before these are dispensed with.

**The Acting Chair (Miss Monique Taylor):** That's right. That's correct, and she has the ability to do that at this point.

**Mr. John Fraser:** Yes, on the record, for the grouping.

**The Acting Chair (Miss Monique Taylor):** Good.

**Mr. John Fraser:** Is that correct? Okay.

**The Acting Chair (Miss Monique Taylor):** Yes.

**Mr. John Fraser:** Of course.

**The Acting Chair (Miss Monique Taylor):** Ms. Forster.

**Ms. Cindy Forster:** I think it's very odd—weird—to actually see a government that's going to be voting to strike out these actual amendments, these sections of the bill. I don't understand the process here.

**The Acting Chair (Miss Monique Taylor):** Mr. Fraser?

**Mr. John Fraser:** In my earlier remarks, I referenced this in talking about some of the amendments that were put forward. I think that, in the interests of public transparency and what the government feels right now, or we will when we go through this, we would like to remove this section of the bill because we feel that we need to take a harder look at that discretion. We need to do some more work. There are some initiatives that are already under way to look at that. We believe now that it's in the public interest to take another look at it. That's why we're grouping them together. We can—

**Mrs. Gila Martow:** If I could comment.

**The Acting Chair (Miss Monique Taylor):** Ms. Martow.

**Mrs. Gila Martow:** I just find it a little peculiar that we're having time allocation and rushing through a bill, and on the other hand, the government is saying that they need more time to take a look at certain sections. On the one hand, they're rushing it through; on the other hand, they need more time to look at certain sections. I just wanted to mention that.

**The Acting Chair (Miss Monique Taylor):** Ms. Forster.

**Ms. Cindy Forster:** I have to agree with that. Had we been able to have all of the time under the standing orders without time allocation, perhaps the government could have actually worked through some of the other

amendments, and we wouldn't be sitting here today having the government striking out sections of their own bill. Parts of this bill were actually before the last Parliament. Once again, it was introduced in July of this year, so you would think that the government and the ministry would have had ample opportunity to actually get this right and have it before us here today. What we think we'll see is another piece of legislation when we come back in February. Or are all of these things going to be dealt with, without debate, under regulation?

**The Acting Chair (Miss Monique Taylor):** Ms. McGarry.

**Mrs. Kathryn McGarry:** Again, since the legislation has been written, there have been some very recent changes, just in the last couple of months, in terms of what's happening out there in this field, and several situations that have been in the public arena. The government really believes that this section of the legislation should be fine-tuned before it becomes law. That's why we're asking for the motion, and not put it in legislation today.

Even since July, things have changed out there. That's one of the reasons why we want to make sure that we fine-tune it, get it right, do a little bit more consultation and tighten that up. A couple of situations have happened with sexual abuse of patients just in the last couple of months, so they just want to make sure that this section is done right.

**The Acting Chair (Miss Monique Taylor):** Ms. Mangat.

**Mrs. Amrit Mangat:** Since we first introduced this legislation, the climate has changed, and our government just wants to strengthen the legislation. We would like to have a look at it. That's why we are grouping them in.

**The Acting Chair (Miss Monique Taylor):** Mr. Walker.

**Mr. Bill Walker:** A point of clarification, then: Will that come back to the committee for a review or, to my colleague from the third party's comment, will this just be done as part of regulation and we won't have any insight or ability to input?

**The Acting Chair (Miss Monique Taylor):** Ms. Forster, you were next.

**Ms. Cindy Forster:** Oh, I'm next. Okay. I understand from Ms. McGarry that some of this is because of allegations of sexual abuse that have come to light. But is part of this, as well, because the government is embarrassed by the lack of oversight of private clinics and some of the new stories that are actually coming out of private clinics about infections and the lack of oversight that should have been there?

**The Acting Chair (Miss Monique Taylor):** Mr. Fraser.

**Mr. John Fraser:** No. There are a number of reviews that are taking place right now, and it's prudent for us to wait until those things come back, to make sure that we're doing it in a way that does what we intend to do: protect the public and, at the same time, provide information and transparency.

**The Acting Chair (Miss Monique Taylor):** Ms. Martow.

**Mrs. Gila Martow:** My understanding is, the reason that we allow for lots of deputations on a very serious bill like this—this isn't to make June Bike Month or something fairly obvious and with all-party support. The reason we allow for so many deputations is, as we're listening to the people coming with their concerns—these are very knowledgeable, experienced people who come and speak to the committee—the government is able to go back, with their legal advisers and experts, and make changes in the bill.

**0950**

By rushing through and having very few deputations, they don't leave themselves enough time to make those changes. Now we're seeing that they want to just take out sections of their own bill, because probably people who came to give deputations just this week raised concerns and that's why this is being done.

I just wanted to be on the record that maybe we didn't proceed the way we should have proceeded. Maybe it wasn't in the public's interest to have rushed things through. I have concerns that the public isn't going to be able to address their concerns on whatever changes are being made. They're given the original bill and they make their comments, but when changes are made, maybe we need their input again.

**The Acting Chair (Miss Monique Taylor):** Thank you, Ms. Martow. Ms. Forster.

**Ms. Cindy Forster:** Can the government members share with us what reviews are being done and where they're at? Which sector, which agencies, are we actually currently involved in reviews with?

**Mr. John Fraser:** I can get you—

**The Acting Chair (Miss Monique Taylor):** I actually had Mr. Walker. Are you okay with passing it off to them to respond?

**Ms. Cindy Forster:** Sure.

**Mr. Bill Walker:** As long as I have my—

**The Acting Chair (Miss Monique Taylor):** Yes, and then I'll come back to you.

Okay, Mr. Fraser or Ms. McGarry.

**Mr. John Fraser:** Ms. McGarry is before me.

**Mrs. Kathryn McGarry:** Thank you. There are a number of initiatives out there that the Ministry of Health and Long-Term Care has taken on. I believe that these reports will be coming back in the winter, after the Christmas break.

I think this is one of the reasons why we just tried to sort of halt that until we get all the information back there. Some of these initiatives were started since the new Minister of Health and Long-Term Care took over. So they've just asked to try to get all those details in so that we can redraft this section to accommodate some of those things.

This is something that the government is taking very, very seriously. We have listened to the deputations that have come in. We have listened to concerns on all sides. As I said, some of the climate has changed out there in the public eye, and they want to just make sure that all



these considerations are out there before we can draft them into the new legislation.

**The Acting Chair (Miss Monique Taylor):** Mr. Walker.

**Mr. Bill Walker:** Thank you, Chair. Again, I just want some clarification. My original question, which I don't believe was answered, is: Will the changes come back to this committee so we can see and ensure that members of the public have the ability, through us and the third party, to bring their thought processes to the committee to ensure that it's done?

Further to that, are you asking us, if we go through this process for the remainder of the day, to pass this bill with those sections not included? Because it seems like it's a pretty significant piece. The complaint resolution piece is pretty significant. Are you going to be asking us to pass this bill with that whole section left out and wait until you decide to put it back in there?

**The Acting Chair (Miss Monique Taylor):** Okay. I did have Ms. Forster to speak next. Do you want the government to respond first?

**Ms. Cindy Forster:** That's fine.

**The Acting Chair (Miss Monique Taylor):** Ms. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much. Because we don't have the recommendations—we don't have the reports back yet—we're not sure which vehicle this will be going forward in. Until that's back, they won't know how it's going to come forward.

I think the best I can offer right now is that there will be some communication once we get these back, and then proceed after we have had those recommendations as to how they are going to come forward.

**The Acting Chair (Miss Monique Taylor):** Ms. Forster.

**Ms. Cindy Forster:** Do the government members and the government not think that in an open, transparent and accountable government, members of the public should know which agencies you're currently reviewing, investigating, so that people can actually make informed choices, perhaps, about where they get their health care needs met?

**The Acting Chair (Miss Monique Taylor):** Ms. Martow.

**Mrs. Gila Martow:** My question is, why wouldn't we then just pause everything? Just pause. Why should we be voting against a section? Why wouldn't we just pause the proceedings? If the government has such serious concerns, you could address your concerns during the break. You could make the changes, you could notify us, you can notify the public and we can have more deputations.

**The Acting Chair (Miss Monique Taylor):** Mr. Fraser.

**Mr. John Fraser:** I think it's the prudent thing to do. We've got a piece of legislation here that has a lot of important measures in it, not just these measures that are related to the colleges.

In whatever format it comes back, with respect to Ms. Forster's comments in regard to public awareness and

transparency—if it comes back as a regulation—there will be consultations during that period, so it will be available to the public. If it comes back as legislation, which my colleague suggested, it would obviously come back before a committee, likely this one.

But if you take a look at the public interest, this is a big bill. It is something we have debated for a while. I appreciate the members' concerns across the way, saying, "Why are you changing this?" I think we've laid out a rationale for doing it. I believe it's the prudent and the right thing to do, so I would ask for the members opposite's support in that, and that's it.

**The Acting Chair (Miss Monique Taylor):** Mr. Walker.

**Mr. Bill Walker:** I'm still struggling a little bit here from the government side. They drafted this legislation. They put it in front of us. You want us to vote on it, but you want to remove pieces that you put in. I still haven't heard an unequivocal yes, that you will come back to this group, this committee, to ensure that we have the ability to consult the stakeholders appropriately, that they've had their say to make sure that happens and that it will happen. I don't know if there's any legal precedent from legal counsel. Is this a normal type of thing, where you would actually pass a piece of legislation and allow pieces to be just jettisoned in at a later date without it coming back to committee?

**Mr. Ralph Armstrong:** It has happened before, sir, yes. This is how, if the committee does not want to proceed with certain provisions, it votes them down. There are certainly many precedents in the assembly.

**The Acting Chair (Mrs. Kathryn McGarry):** Ms. McGarry was next.

**Mrs. Kathryn McGarry:** We certainly hear your concerns. I just wanted to point out that, actually, it was December 1 that we received the required responses from the regulated colleges regarding some of their issues, regarding the transparency and how they were going to proceed, so we're just taking time now to actually look at those responses and trying to draft them and incorporate them into the new legislation. It's just that we've received them December 1. It wasn't that we were trying to omit them or doing anything else.

Secondarily, when you look at all the other parts of the bill, they are very important. I think we all agree on this committee. We've heard the deputations from some of the people. The rest of the bill, as is, should go forward. It's essential that we get that part of the legislation passed. That's why the government has filed this motion to remove this section: so we can address the concerns that have just come in on that and that they're just reviewing as we speak. That's part of what the initiatives coming forward mean. When the new Minister of Health and Long-Term Care came in, he had asked all the regulated colleges to really address concerns around transparency and around accountability, and they've just gotten that work back. That work is ongoing.

That's why it's just this section we're trying to pull out. As I said, I think that we all agree on the importance

of the rest of the bill to be able to get that passed urgently and out there.

**The Acting Chair (Miss Monique Taylor):** Ms. Forster.

**Ms. Cindy Forster:** Well, I would just want to get on the record that I don't believe that New Democrats actually believe—in light of waiting four months for, for example, the insurance industry report that we've been calling upon the government to release to the opposition parties—that we'll ever see reports actually coming out of these reviews and investigations that the government is currently doing. I don't have any confidence that we'll ever see any of that information.

**The Acting Chair (Miss Monique Taylor):** I think Mr. Fraser was next.

**Mr. John Fraser:** I would just like to respond, again—maybe I wasn't clear—to Mr. Walker's question. I know counsel gave an answer to it. What we're suggesting is that the fine-tuning that we're doing would not come back as part of this piece of legislation. It would come back either as another piece of legislation or as regulation. If it's a piece of legislation, it will come to the committee. If it's a piece of regulation, it would go to public consultations, so it would be evident and open to the public.

I just wanted to be clear that it would not automatically return here.

**The Acting Chair (Miss Monique Taylor):** Mr. Walker.

**Mr. Bill Walker:** Thank you for that. It gives me a little bit of comfort that at least it's going to have some public consultation, but I'm still struggling with why we would do this whole bill and you would include it in there, and now—it just seems like: Why are you not going to be prepared to bring it back? It's almost like you want to slide something in that we're not going to see, why we're not going to have the ability—and I don't mean that in a nefarious sense. I just mean: Why would you go through this whole process and not bring that back to make it a complete piece of legislation?

1000

I'm concerned that there are too many things in today's current government being given to cabinet to make decisions on. They then put in regulation, and we then don't have the ability to represent all of the stakeholders and ensure that they have a voice, or our democratic right for us to voice. You could put a regulation in that we fully disagree with on behalf of the constituents we represent. When do we have that ability to have that discussion?

**The Acting Chair (Miss Monique Taylor):** Ms. Martow, you had your hand up?

**Mrs. Gila Martow:** Yes. I just wanted to ask, if it's not going to be coming back as part of this bill, as Mr. Fraser said, then why wouldn't we just be deleting these sections?

**The Acting Chair (Miss Monique Taylor):** Ms. McGarry.

**Mrs. Kathryn McGarry:** Really, I hear your concerns and I certainly appreciate the fact that you have

these concerns and you're taking these seriously—as are we.

I just want to reiterate that it's not the government that's holding this up. The Minister of Health and Long-Term Care, when he came in, asked all the regulated colleges to address the issues of accountability and transparency. I've got it right here: The deadline to submit was December 1. That was before these committee hearings were scheduled. They've just got those submissions in. The government is taking time to look at what all the regulated colleges are saying about this and seeing if there are any changes that we may need to do to this section only before it goes forward.

So it's not the government doing this. We've asked, as we all agree, for more accountability of our regulated colleges. We've got those submissions in and we're reviewing them right now. We couldn't manage to do it in the time that we were sitting in committee, but the rest of the bill, as I reiterate, is really important to get passed. Once the review is done, they decide on the vehicle that this will come back in, and then we'll be able to address it at that time, depending on when it comes back.

**Mrs. Gila Martow:** On a point of order, Madam Chair: My understanding, and maybe I'm reading it incorrectly, is that it's to require that the committee vote against the section rather than pass a motion to delete it. My question had been: Why wouldn't we just delete it if it's not going to be part of this bill?

**Mr. Ralph Armstrong:** If I may?

**The Acting Chair (Miss Monique Taylor):** Yes, Mr. Armstrong.

**Mr. Ralph Armstrong:** This is a procedural point. What the government is proposing is that it not vote in favour of these sections of the bill. That is the step to take if you do not want a section of a bill to go ahead. We have these motions here, as it were, as a reminder of how the parties intend to vote on matters. Under parliamentary procedure—and I'll defer to the Clerk, but I think I know a bit about this—you do not vote to strike out sections of a bill as a motion because the debate is upon that very section of the bill.

So what the government is proposing here is identical, in effect, to striking out these sections of the bill, but is done in this fashion in order to meet the rules of a clause-by-clause consideration. The result would be, if the government is following its intention here, that the question would be called on these sections of the bill that have been grouped together. The government is proposing to vote against them, so these sections would be taken out of the bill and the bill would go ahead without them. The government is always, of course, free to do whatever with those same areas after the course of things.

I've talked a fair bit here. Have I made myself clear? I hope—

**Mrs. Gila Martow:** You're clear; they're not so clear.

**The Acting Chair (Miss Monique Taylor):** Any further questions of legal, or are we okay for that part? Okay.

Mr. Fraser was next to speak.



**Mr. John Fraser:** I would just like to suggest that I think we've gone through this and we know what we're doing here. We all very clearly stated what our positions are. I think we got good advice from legal counsel. We know what we're doing here, so I'd like to suggest we vote on this.

**The Acting Chair (Miss Monique Taylor):** Okay, shall we move to the vote?

Shall schedule 2, section 12 carry? All in favour? All opposed?

Schedule 2, section 12 is lost.

Schedule 2, sections 13 to 16 can be grouped together. Is everybody okay with grouping it together? We're voting on schedule 2, sections 13, 14, 15 and 16. All in favour? All opposed? Lost.

Schedule 2, section 17. Page 20 is a government motion: Mr. Fraser.

**Mr. John Fraser:** I move that subsection 85.5(2) of schedule 2 to the Regulated Health Professions Act, 1991, as set out in section 17 of the bill, be struck out and the following substituted:

"Same

"(2) Where a member resigns, or voluntarily relinquishes or restricts his or her privileges or practice, and the circumstances set out in paragraph 1 or 2 apply, a person referred to in subsection (3) shall act in accordance with those paragraphs:

"1. Where a person referred to in subsection (3) has reasonable grounds to believe that the resignation, relinquishment or restriction, as the case may be, is related to the member's professional misconduct, incompetence or incapacity, the person shall file with the registrar within 30 days after the resignation, relinquishment or restriction a written report setting out the grounds upon which the person's belief is based.

"2. Where the resignation, relinquishment or restriction, as the case may be, takes place during the course of, or as a result of, an investigation conducted by or on behalf of a person referred to in subsection (3) into allegations related to professional misconduct, incompetence or incapacity on the part of the member, the person referred to in subsection (3) shall file with the registrar within 30 days after the resignation, relinquishment or restriction a written report setting out the nature of the allegations being investigated."

**The Acting Chair (Miss Monique Taylor):** Any discussion? Okay.

Shall the motion carry? All in favour? All opposed? It's carried.

The next motion is on page 21 and is a PC motion. Mr. Walker.

**Mr. Bill Walker:** I move that subsection 85.5(2) of schedule 2 of the Regulated Health Professions Act, 1991, as set out in section 17 of schedule 2 to the bill, be struck out and the following substituted:

"Same

"(2) Where a member resigns, or voluntarily relinquishes or restricts his or her employment privileges or practice,

"(a) during the course of, or as a result of, a formal or informal investigation into his or her competence, negligence or conduct, a person referred to in subsection (3) shall file with the registrar, within 30 days after the resignation, relinquishment or restriction, a written report setting out the facts related to the resignation, relinquishment or restriction; or

"(b) under circumstances where a person referred to in subsection (3) has reasonable grounds to believe that the resignation, relinquishment or restriction, as the case may be, is related to the member's professional misconduct, incompetence or incapacity, the person referred to in subsection (3) shall file with the registrar, within 30 days after the resignation, relinquishment or restriction, a written report setting out the facts related to the resignation, relinquishment or restriction and the grounds upon which the person's belief is based."

**The Acting Chair (Miss Monique Taylor):** Any discussion?

**Mr. Bill Walker:** Yes. For background, this amendment was brought forward by the College of Physicians and Surgeons of Ontario and the Federation of Health Regulatory Colleges of Ontario.

Schedule 2, section 8 of Bill 21 proposes amendments to the Public Health Act and the RHPA to require a hospital or employer to report to health regulatory colleges where a member restricts his or her practice, and in addition resigns, and an administrator has reasonable grounds to believe the restriction is related to the competence or conduct of the doctor. It removes the requirement for the action, resignation or restriction to occur during an investigation.

1010

Experience has shown that there are several ways that the wording of the RHPA enables would-be reporters to circumvent the mandatory reporting requirement. Currently, if a member voluntarily resigns, restricts or does not renew his or her hospital privileges, there is no clear requirement for the hospital to report this to the college, even if there are serious concerns about the member's practice. Unless there is a clear mandatory reporting duty, the CPSO will not be informed about these concerns or changes to privileges, and patients may continue to be at risk as the physician could continue to practise at another facility.

The rationale: The enhanced reporting duty in Bill 21 now turns on whether the person who grants the member privileges has reasonable grounds to believe that the resignation, relinquishment or restriction is related to the member's misconduct, incompetence or incapacity. This is a relatively high legal test. If a person wanted to avoid a reporting duty, the person could take the position that the action was not related to the member's competence or incapacity in order to avoid the reporting duty. Therefore, it is suggested that a combination of the proposed amendment and the pre-existing language would go further to achieve the goals of mandatory reporting.

We are of the view that a reporting duty that is triggered either by an administrative subjective belief or objective circumstances would be the best option.

The CPSO does not believe that the information that must be included in a report is sufficiently expansive, requiring only the grounds for the reporter's belief and not the facts underlying it, and would recommend adding language to expand the information to be included in the mandatory report.

The amendments to the RHPA and the PHA are designed to respond to four issues that the college and Federation of Health Regulatory Colleges of Ontario brought to the government's attention, those being:

- enable health regulatory colleges to more readily share information with public health authorities when health protection concerns have been identified;

- permit colleges to share information with hospitals related to investigations;

- enhance mandatory reports to health colleges to better protect patients by closing some existing gaps; and

- permit flexibility to focus college investigation of complaints, with limited discretion.

**The Acting Chair (Miss Monique Taylor):** Thank you, Mr. Walker. Any further discussion? Okay. We will vote on that motion. All in favour? All opposed? The motion is lost.

Page 22 is an NDP motion: Ms. Forster.

**Ms. Cindy Forster:** I'll withdraw that motion.

**The Acting Chair (Miss Monique Taylor):** Thank you.

Shall schedule 2, section 17, as amended, carry? All in favour? All opposed? Carried.

Schedule 2, section 18: Page 23 is an NDP motion. Ms. Forster.

**Ms. Cindy Forster:** I move that section 18 of schedule 2 to the bill be struck out and the following substituted:

“Commencement

“18(1) Sections 1 to 7 come into force two years after the day the Safeguarding Health Care Integrity Act, 2014 receives royal assent.

“Same

“(2) Sections 8 to 17 come into force on a day to be named by proclamation of the Lieutenant Governor.”

The rationale for this is that the amendment will ensure that hospitals have the time they need to get all of the processes in place to ensure that oversight is appropriate to the unique hospital setting.

**The Acting Chair (Miss Monique Taylor):** Thank you, Ms. Forster. Any further discussion? Shall the motion carry? All in favour? All opposed? The motion is lost.

There are no amendments, so shall schedule 2 carry?

*Interjection.*

**The Acting Chair (Miss Monique Taylor):** Oh, I'm sorry. I skipped a section. Shall schedule 2, section 18 carry? All in favour? Carried.

Shall schedule 2, as amended, carry? Carried.

Shall the title of the bill carry? Carried.

Shall Bill 21, as amended, carry? Carried.

Shall I report the bill, as amended, to the House? Carried.

Well, that's it. It is now almost 10:15, so we have finished this perfectly on time. I believe—

**Mr. John Fraser:** Great job, Chair.

*Interjections.*

**The Acting Chair (Miss Monique Taylor):** Oh, thank you.

**Mr. Bill Walker:** Just a point of clarification: Are we back at 2, or is that it? We're done?

**The Acting Chair (Miss Monique Taylor):** Nope, that will be it. I'll send notification. This is adjourned.

*The committee adjourned at 1015.*



## **CONTENTS**

Thursday 4 December 2014

Safeguarding Health Care Integrity Act, 2014, Bill 21, Mr. Hoskins / Loi de 2014 de  
sauvegarde de l'intégrité des soins de santé, projet de loi 21, M. Hoskins ..... SP-175

### **STANDING COMMITTEE ON SOCIAL POLICY**

#### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Substitutions / Membres remplaçants**

Mr. Han Dong (Trinity–Spadina L)

Ms. Cindy Forster (Welland ND)

Mr. John Fraser (Ottawa South L)

Miss Monique Taylor (Hamilton Mountain ND)

Mr. Bill Walker (Bruce–Grey–Owen Sound PC)

#### **Clerk / Greffière**

Ms. Valerie Quioc Lim

#### **Staff / Personnel**

Mr. Ralph Armstrong, legislative counsel

XC14  
-578

Gouvernement  
de l'Ontario

SP-8



SP-8

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 8 December 2014

# Journal des débats (Hansard)

Lundi 8 décembre 2014

## Standing Committee on Social Policy

Subcommittee report

## Comité permanent de la politique sociale

Rapport du sous-comité



Chair: Peter Tabuns  
Clerk: Valerie Quioc Lim

Président : Peter Tabuns  
Greffière : Valerie Quioc Lim



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Monday 8 December 2014

Lundi 8 décembre 2014

*The committee met at 1401 in committee room 1.*

## SUBCOMMITTEE REPORT

**The Chair (Mr. Peter Tabuns):** Good afternoon, everyone. The Standing Committee on Social Policy will now come to order. We're here to consider the subcommittee report dated December 2, 2014. Can we have a member read the report into the record?

**M<sup>me</sup> France Gélinas:** That usually falls to the government, no?

**The Chair (Mr. Peter Tabuns):** Anyone can do it. Ms. McGarry?

**Mrs. Kathryn McGarry:** The Standing Committee on Social Policy subcommittee report reads as follows:

Your subcommittee on committee business met on Tuesday, December 2, 2014, to consider the method of proceeding on all bills and matters related to the committee as of December 2, 2014, and recommends the following:

(1) That the Chair write to the three House leaders to request that a motion be presented to the House authorizing the committee to review the Local Health System Integration Act, 2006.

(2) That the committee meet in Toronto on Monday, December 8, 2014, for the purpose of holding public hearings on Bill 13, An Act to proclaim the month of June as Ontario Bike Month, and Bill 17, An Act to protect child performers in the live entertainment industry and the recorded entertainment industry.

(3) That the committee meet in Toronto on Tuesday, December 9, 2014, for the purpose of holding public hearings on Bill 20, An Act to protect pupils with asthma, and Bill 28, An Act to proclaim the month of October as Hispanic Heritage Month.

(4) That the committee Clerk, in consultation with the Chair, post information regarding the hearings on the Ontario parliamentary channel and the Legislative Assembly website.

(5) That witnesses be scheduled on a first-come, first-served basis.

(6) That witnesses be offered five minutes for their presentation followed by 10 minutes of questions divided equally among the three recognized parties, for a total of 15 minutes.

**The Chair (Mr. Peter Tabuns):** Any discussion?

**Mr. Lou Rinaldi:** We're asking an awful lot here in the very short time that we're here until we break, which

is three more sleeps, as my grandkids would say. I'm not sure we could do due diligence to a lot of these pieces of legislation that are mentioned in the subcommittee report.

Certainly, the commitment to review the LHINs is something that our government is committed to do, and that work has begun. We'd be more than happy, as we come back in February, to pursue that route. But frankly, to deal with all of this in the next three days—some of these bills would impact an awful lot of people, and I think we would need a lot more discussion in the very short time that we're allotting for.

I would strongly recommend that we write to the House leaders requesting some time in the new year for this period. I'm not sure we would be doing it justice.

**The Chair (Mr. Peter Tabuns):** Okay. I'm going to go to Ms. Martow because she indicated an interest, but if you're suggesting varying the report, you might want to make a motion to that effect.

**Mrs. Gila Martow:** I think there is certainly some more work to be done. It's for a private member's bill. But I think it's pretty obvious to everybody here that designating bike month and designating a heritage month, both of which are Liberal private members' bills and both entertain quite a lot of support from all parties—it wouldn't be very complicated to meet for even an hour of deputations and get moving on them. There's a two-month break coming up, and we're not going to get to celebrate this June as bike month unless we move forward on it. The time just keeps running and piling up, and as legislators, I think we all know that it's either just before a break or just after a break. That shouldn't be an excuse.

**The Chair (Mr. Peter Tabuns):** Madame Gélinas.

**M<sup>me</sup> France Gélinas:** I guess my comments go in line with the comments of MPP Martow. Here we have a four-hour block of time for this committee. We have work that has been assigned to us by the House to do, and we can't even do this. We will deal with the subcommittee report, and then we will all go our separate ways. The committee won't be able to do any work; meanwhile, work was assigned to us.

We have time when we are all here together and available, today and tomorrow, and we can't agree, in an empty room, to make good use of that time. To me, the taxpayers expect better than that from me, and I am guessing they expect better than that from all of us. There is still an opportunity to salvage tomorrow. I realize that



for this afternoon—but there's still an opportunity to salvage tomorrow.

There is no reason why we cannot hear a few deputations. Those are not controversial bills. We've already all voted in favour of each and every one of them. Some of them have been presented three, four or five times to this House. Some of them I could probably recite by heart, I have heard them so often.

If we're not ready and willing to do the work, who will? Those are opportunities lost. There's a cost to an opportunity lost, and that cost will be for kids with asthma; it will be for all of the hard work that people have put together so we would have bike month; it will be for all of the bills that are there. This is really sad.

**The Chair (Mr. Peter Tabuns):** Any other speakers? Mr. Rinaldi.

**Mr. Lou Rinaldi:** Speaker, just briefly: I think the reality here is that we could push back and forth, either way. The House sat for two and a half years and didn't get much accomplished, so if we talk about time and that we've only got one day left—from the opposition, I think it doesn't speak well of what happened here in the last two and a half years.

We're prepared to move forward with some of this stuff, but I think we need to give it due diligence, and I'm not sure we have the time to do that. I'm certainly going to vote against the subcommittee report.

**The Chair (Mr. Peter Tabuns):** Any further discussion? Madame Gélinas.

**M<sup>me</sup> France Gélinas:** I'm not sure, procedure-wise—I have an amendment to deal with those four bills. Can I move that now?

**The Chair (Mr. Peter Tabuns):** Yes, you can.

**M<sup>me</sup> France Gélinas:** All right. You should find in front of you a piece of paper that looks like this. It starts with "I move" and has four paragraphs. Do I read it into the record now, Chair?

**The Chair (Mr. Peter Tabuns):** Yes, please.

**M<sup>me</sup> France Gélinas:** Okay.

**The Chair (Mr. Peter Tabuns):** It's an amendment to the subcommittee report?

**M<sup>me</sup> France Gélinas:** Correct. In the subcommittee report, paragraph 2 and paragraph 3 deal with four separate private member's bills. I would change paragraph 2 and paragraph 3 to read as follows:

"(1) That the committee meet on Monday, February 23, 2015, and Tuesday, February 24, 2015, for public hearings and clause-by-clause respectively, on Bill 13, An Act to proclaim the month of June as Ontario Bike Month.

"(2) That the committee meet on Monday, March 2, 2015, and Tuesday, March 3, 2015, for public hearings and clause-by-clause respectively, on Bill 20, An Act to protect pupils with asthma.

"(3) That the committee meet on Monday, March 9, 2015, and Tuesday, March 10, 2015, for public hearings and clause-by-clause respectively, on Bill 17, An Act to protect child performers in the live entertainment industry and the recorded entertainment industry.

"(4) That the committee meet on Monday, March 23, 2015, and Tuesday, March 24, 2015, for public hearings and clause-by-clause respectively, on Bill 28, An Act to proclaim the month of October as Hispanic Heritage Month."

**The Chair (Mr. Peter Tabuns):** Any discussion? Did you want to—

**M<sup>me</sup> France Gélinas:** Well, just having heard some of the comments that we wanted due process, each of the private members' bills that have been referred to us would have up to four hours of deputations and then the next day we would deal with clause-by-clause. Most of those bills only have one or two clauses. I don't expect this work to take more than the two hours that we have together on Tuesdays. I think that would be a respectful way to hear on each and every one of those bills as well as do the work necessary to be able to refer them back to the House, as the House has sent that work to us.

**The Chair (Mr. Peter Tabuns):** I have Ms. Martow and then Mr. Rinaldi. Ms. Martow?

**Mrs. Gila Martow:** I don't know if it's a point of order or not, but I'm just wondering why we would be moving forward a motion to change the dates when we haven't voted yet on the proposal or the motion to go ahead with the—

**The Chair (Mr. Peter Tabuns):** You can move an amendment to the report. You don't have to accept the amendment. You can vote against the amendment and then vote simply for the initial report.

**Mrs. Gila Martow:** Okay.

**The Chair (Mr. Peter Tabuns):** Mr. Rinaldi?

**Mr. Lou Rinaldi:** Chair, I wonder if we could ask for a short recess. I mean, certainly this is the first time we've seen this.

**The Chair (Mr. Peter Tabuns):** Absolutely. Would you like 10 minutes?

**Mr. Lou Rinaldi:** Sure.

**The Chair (Mr. Peter Tabuns):** Does the committee agree to a 10-minute recess?

**M<sup>me</sup> France Gélinas:** Yes.

**The Chair (Mr. Peter Tabuns):** We're all agreed? Fine.

*The committee recessed from 1412 to 1415.*

**The Chair (Mr. Peter Tabuns):** Everyone is ready to resume? Fine. Committee resumes. Madame Gélinas?

**M<sup>me</sup> France Gélinas:** I have been instructed as to my opportunity to present this motion. Therefore, I wish to withdraw this motion to give the committee an opportunity to vote on the subcommittee report. I do reserve the right to reintroduce my motion shortly thereafter.

**The Chair (Mr. Peter Tabuns):** Should it lose.

**M<sup>me</sup> France Gélinas:** Should it lose.

**The Chair (Mr. Peter Tabuns):** I understand. Shall the subcommittee report—

*Interjection.*

**The Chair (Mr. Peter Tabuns):** Sorry; thank you. Further debate? We just seem to be ready; that's all.

**Mr. Lou Rinaldi:** We're just ready to go.

**The Chair (Mr. Peter Tabuns):** No more debate on the subcommittee report? Shall the subcommittee report be adopted? All those in favour?

**M<sup>me</sup> France Gélinas:** Recorded vote.

### Ayes

Elliott, Gélinas, Martow.

### Nays

Anderson, Dhillon, Mangat, McGarry, Rinaldi.

**The Chair (Mr. Peter Tabuns):** The motion is lost. Any other business? Madame Gélinas?

**M<sup>me</sup> France Gélinas:** Yes, please. I would like to present a motion that I have recently read into the record. I would be more than happy to read it again; or, if you all remember, I will just not read it. I have no idea how these things go.

**The Chair (Mr. Peter Tabuns):** Please read it again.

**M<sup>me</sup> France Gélinas:** I'll read it again. For your enjoyment and pleasure, I will read the motion into the record for the second time:

“(1) That the committee meet on Monday, February 23, 2015, and Tuesday, February 24, 2015, for public hearings and clause-by-clause respectively, on Bill 13, An Act to proclaim the month of June as Ontario Bike Month.

“(2) That the committee meet on Monday, March 2, 2015, and Tuesday, March 3, 2015, for public hearings and clause-by-clause respectively, on Bill 20, An Act to protect pupils with asthma.

“(3) That the committee meet on Monday, March 9, 2015, and Tuesday, March 10, 2015, for public hearings and clause-by-clause respectively, on Bill 17, An Act to protect child performers in the live entertainment industry and the recorded entertainment industry.

“(4) That the committee meet on Monday, March 23, 2015, and Tuesday, March 24, 2015, for public hearings and clause-by-clause respectively, on Bill 28, An Act to proclaim the month of October as Hispanic Heritage Month.”

**The Chair (Mr. Peter Tabuns):** Any discussion? Ms. McGarry?

**Mrs. Kathryn McGarry:** Due to the fact that we're still sitting in the House this week and bills are still coming forward to be passed and to be voted on, we may find that our priorities here as a social policy committee may change, just due to the nature of what may come forward by the end of this week. I think that we should probably still give our government House leaders an opportunity to be able to look at the work that's being sent to this committee and to negotiate when those bills may come forward and in what manner.

My recommendation is that there is enough time to reconvene at the beginning of February and look at what work comes out of this week, and then to be able to reorganize. It's not saying that this schedule, which I

know you spent some time on—thank you—may be the one that we adopt at that time, but it doesn't preclude us taking some of the government work that may come out of this week, that may take priority over some of those.

**The Chair (Mr. Peter Tabuns):** Okay. Any other discussion? Madame Gélinas, Mrs. Martow.

**M<sup>me</sup> France Gélinas:** I'd like to ask the Clerk: If the House dictates, let's say through a time allocation motion, a bill to this committee that says “on such a date and such a date,” it is my understanding that they will have priority and it won't matter that we have passed this motion, that the motion coming from the House would dictate the work of the committee. Am I right?

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Yes. Anything that the House passes will be a priority over a committee decision. The House is—

**M<sup>me</sup> France Gélinas:** The comment that was made by Ms. McGarry—if the House leaders, through a motion in the House, sent something to our committee, it doesn't matter that we have adopted this; the will of the House will prevail and whatever we have scheduled on that day will have to be rescheduled because the work that the House has dictated to us will take precedence.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Anything that the House authorizes the committee—that will be the priority.

**M<sup>me</sup> France Gélinas:** Okay. So I see this as a backup; that is, when we come back in February. If between now and Thursday, when we rise, the House sends work to us, we will respect the wish of the House and do what we're told. If they don't send us work for February 23, then at least we would have time to fully advertise and let people know that the 23rd would be the Ontario Bike Month bill's opportunity to be heard. It's to make sure that we use the time of the committee wisely, fully respectful of the fact that the House has precedence.

1420

**The Chair (Mr. Peter Tabuns):** Ms. Martow.

**Mrs. Gila Martow:** As the member beside me just said, if we don't move forward, we're not going to achieve very much this year. We can always amend.

It's like all of us being busy here, many of us away from home. We prepare meals in our freezer for our family, and we say, “Monday it's spaghetti sauce. Tuesday, it's that.” It doesn't mean that they can't have something else.

This is kind of the backup plan. We know that if there's something very urgent, it could trump it, and we can let people who are planning to give deputations know that the dates have been changed, but in the meantime, we've got a schedule, and we're prepared. We're allowing people to prepare their time because people have appointments they've made; people have work schedules and family obligations. The more time we give them to prepare to come down for their deputations, if we're not travelling the province, the more likely they can make it.

I think it makes sense to have a plan in place. This is our menu for the coming few months. I agree with the member that we should try to get some work done.



**The Chair (Mr. Peter Tabuns):** Mr. Rinaldi.

**Mr. Lou Rinaldi:** Look, it all makes good sense. I'm not taking anything away from that. The reality is also that we come back on February 17, I believe, which I think is a Tuesday. There's ample time to make a schedule to deal with this. I've never been a House leader, but in my previous life here for eight years, I know that House leaders many times—especially for private member's bills, we're not going to get a flock of people walking through the door who want to speak to it. They might pass two or three at the same time on unanimous consent, and we've done that in the past.

So to advertise to get folks geared up for something that might not even happen—like I say, yes, we're away till the middle of February, but I think we have lots of opportunity. As we reconvene the first week, if there's nothing waiting from the House that we need to deal with, we'll set our schedule. I think that will give an opportunity for the House leaders too to do their due diligence. I know it's a private member's bill. I get it, but it's kind of almost going in through the back door from a practical standpoint.

I would strongly recommend that, as good as the suggestion is—and I'm not disputing. I know you've put in a lot of work, Ms. Gélinas. But I think we should wait until the House comes back, and it will be one of the first things on the agenda.

**The Chair (Mr. Peter Tabuns):** Any further discussion? There being none, you're—

**M<sup>me</sup> France Gélinas:** I don't get the “the back door” comment. I'm not sure I know what he's talking about.

**The Chair (Mr. Peter Tabuns):** Mr. Rinaldi.

**Mr. Lou Rinaldi:** What I'm talking about is, most times—and it's happened—House leaders make some agreements to pass some private members' bills that don't really require a lot of consultation. Maybe the “back door” is not the right term. I apologize.

**M<sup>me</sup> France Gélinas:** All right. So you meant that—sorry.

**The Chair (Mr. Peter Tabuns):** Go ahead, Madame Gélinas, and then Ms. Martow.

**M<sup>me</sup> France Gélinas:** So you meant that if the House leaders decided to move some private members' bills forward, we would have done that work for nothing? To me, it's still worth doing. It would only be second reading. It won't be brought forward for third reading till the Liberal government decides to bring it forward for third reading, but at least it would have given those bills an opportunity to be heard. There may be comments in second reading that enlighten all of us. We never know. That's why we

have deputations, and deputants have surprised me many times in the past. So to do this work, I think, is a good use of our time, and we don't have to worry. We cannot influence which one makes it to the finish line; only the governing party gets to decide that.

**The Chair (Mr. Peter Tabuns):** Ms. Martow.

**Mrs. Gila Martow:** I'm still not hearing any negatives to moving forward with Madame Gélinas's motion. We can always change it. To me, the back door would be to take some of the private members' bills and ask for unanimous consent in the House. That could even be done tomorrow, Wednesday or Thursday, if we're still here. Then obviously, if one of those private members' bills passes even this week, which is possible, by unanimous consent, we're going to be adjusting that on the schedule.

But in the meantime, I think we're all trying to represent not just our ridings, but certainly on a lot of these topics like bike month, it's something that all over the province there are bike enthusiasts who are anxiously waiting for us to get moving on things.

Actually, if we waste time because we need to give time for people to give their deputations, so then there's weeks when we don't have committee meetings, we're getting less work done. We're actually backlogging the government so that when they do have—as Mr. Rinaldi pointed out, sometimes there may be more important government business for us to look at. If we're getting bogged down with things that could have been done, then we're not leaving ourselves time to work on the important business, and we're not doing ourselves or the public any favours.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Martow. Any other discussion? There being none, you're ready to vote? All those in favour of the motion?

**M<sup>me</sup> France Gélinas:** A recorded vote.

**Ayes**

Elliott, Gélinas, Martow.

**Nays**

Anderson, Dhillon, Mangat, McGarry, Rinaldi.

**The Chair (Mr. Peter Tabuns):** The motion is lost. Any other business? There being none, we are adjourned.

*The committee adjourned at 1426.*





## **CONTENTS**

Monday 8 December 2014

Subcommittee report .....	SP-189
---------------------------	--------

### **STANDING COMMITTEE ON SOCIAL POLICY**

#### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Vice-Chair / Vice-Présidente**

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

M<sup>me</sup> France Gélinas (Nickel Belt ND)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Peter Tabuns (Toronto–Danforth ND)

#### **Substitutions / Membres remplaçants**

Mr. Lou Rinaldi (Northumberland–Quinte West L)

#### **Clerk / Greffière**

Ms. Valerie Quioc Lim

#### **Staff / Personnel**

Ms. Elaine Campbell, research officer,  
Research Services

SP-9



SP-9

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 23 March 2015



# Journal des débats (Hansard)

Lundi 23 mars 2015

## Standing Committee on Social Policy

Ontario Retirement Pension  
Plan Act, 2015

## Comité permanent de la politique sociale

Loi de 2015 sur le Régime  
de retraite de la province  
de l'Ontario



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Monday 23 March 2015

Lundi 23 mars 2015

*The committee met at 1400 in committee room 1.*ONTARIO RETIREMENT PENSION  
PLAN ACT, 2015LOI DE 2015 SUR LE RÉGIME  
DE RETRAITE DE LA PROVINCE  
DE L'ONTARIO

Consideration of the following bill:

Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan / Projet de loi 56, Loi exigeant l'établissement du Régime de retraite de la province de l'Ontario.

**The Chair (Mr. Peter Tabuns):** Good afternoon, everyone. The Standing Committee on Social Policy will now come to order. We are here for public hearings on Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan.

But first, we have a few motions that have to be introduced because of changes in the membership of this committee. The motion is going to be moved by Ms. Martow.

**Mrs. Gila Martow:** I move that Mr. Singh be appointed as Vice-Chair of the committee.

**The Chair (Mr. Peter Tabuns):** Okay. A motion has been moved by Ms. Martow.

**Mrs. Gila Martow:** Shouldn't I first move that Mr. Singh replace Madame Gélinas? No, that's second. That's the subcommittee—

**The Chair (Mr. Peter Tabuns):** No, that's already been decided.

**Mrs. Gila Martow:** All right.

**The Chair (Mr. Peter Tabuns):** Any discussion on that motion? All those in favour? Opposed? That's carried. Thank you.

**Mrs. Gila Martow:** The next is: I move that Mr. Singh replace Madame Gélinas on the subcommittee on committee business.

**The Chair (Mr. Peter Tabuns):** Any discussion of that motion? All those in favour? Opposed? That's carried. Thank you, committee members.

Now we'll go on to presentations. Please note, committee members, that copies of written submissions have been distributed to all of you. Each presenter will have up to five minutes for their presentation and up to nine minutes for questions from committee members, which will be divided equally among the three recognized parties. I propose that we start the rotation with the official opposi-

tion for the first presenter, then to the third party for the next presenter, then to the government for the third, and so on.

CANADIAN FEDERATION  
OF INDEPENDENT BUSINESS

**The Chair (Mr. Peter Tabuns):** Our first presenter: the Canadian Federation of Independent Business, Plamen Petkov. If you would both have a seat and introduce yourselves for Hansard. I'll give you a one-minute warning when you're just about out of time.

**Mr. Plamen Petkov:** Certainly. Thank you, Mr. Chair. Good afternoon, ladies and gentlemen. Thank you for the opportunity to address you today on the proposed Ontario Retirement Pension Plan. My name is Plamen Petkov. I'm the Ontario vice-president at the Canadian Federation of Independent Business, or CFIB. I'm here today with my colleague Nicole Troster, who is the Ontario director of provincial affairs at CFIB. We have a brief presentation for you; I believe it is being circulated. We'll walk you through the slides and then we'll leave time for questions.

I'll turn it over to Nicole.

**Ms. Nicole Troster:** Great. Thank you. In slide number 2, I'm just going to tell you a little bit about CFIB. CFIB is a not-for-profit, non-partisan organization that represents 109,000 businesses across Canada and 42,000 businesses in Ontario. Our sales representatives meet with our members each week, and the way that we establish our mandate is actually through member votes and surveys. We are 100% completely funded by our membership and don't receive money from any other organizations, which helps with our credibility and our impartiality.

On slide 3, you'll see, as with all of our submissions, that our recommendations are based on the feedback and surveys from our members. On slide 3 you can see that the most important issue to our members is total tax burden, which also includes payroll taxes. As mentioned before, total tax burden is the most important issue for small businesses.

On slide 4, you'll see that we asked small business owners and working Canadians about retirement savings. The results were quite similar. The majority indicated that they could not afford to save more for retirement.

As a result of the lack of affordability, on slide 5 you'll see that the majority of small business owners



oppose a pension plan with mandatory contributions. There is, however, some support for a voluntary plan.

**Mr. Plamen Petkov:** In terms of the proposed ORPP, as Nicole mentioned, our policy position is determined entirely by our membership. The first thing we did when the government announced its intention to implement such a mandatory plan was take that policy proposal to our membership. The survey results that you see on slide 6 clearly indicate that there is very strong opposition to a mandatory Ontario Retirement Pension Plan among the small business community. In fact, 86% of our members oppose its creation.

The consequences of imposing a new, mandatory plan on small businesses will be very clear. On the next slide, slide 7, about 70% of them indicate that they would have no choice but to freeze or cut salaries, just over half will reduce the number of employees, and another half will reduce investments in their business.

In addition to the impact that this would have on small business, we also did a series of economic analyses, and we found out that the implementation of the ORPP would cost the provincial economy lost jobs—we actually anticipate that the unemployment rate will be increased by 0.5% by the year 2020—and it would also have an effect on reducing wage levels over the long term.

Another fact that I think is very important to raise, especially at this hearing, is the fact that it would take 40 years for employees to actually start getting the full benefits of the ORPP; it would require 40 years of full contributions. It's a very long period of time, which we think this government should be more transparent and more forthcoming about when educating Ontarians about the impact and the benefits of the ORPP.

Finally, this is going to create a separate remission system which would increase significantly the red tape and regulatory burden on small business.

Finally, on the last two slides, you'll see our recommendations related to Bill 56, and more broadly about retirement savings. We urge the government to continue to control spending and to reduce taxes to increase retirement savings affordability; and also, not to implement a mandatory ORPP—our recommendation is for a voluntary plan.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Plamen Petkov:** Thank you.

If, in fact, the government wants to proceed with the implementation of Bill 56, we strongly urge the government to exempt employers who currently have defined contribution plans, RSPs, group RSPs and PRPPs, once Bill 56 is passed—to have them exempt from ORPP contributions. We recommend that the government increase the minimum earnings threshold to \$30,000 and that it exempt the smallest firms with fewer than 20 employees.

We have relayed that position to the Minister of Finance and the Associate Minister of Finance. Also, we have recently submitted our official submission on the

ORPP to Minister Hunter, which is also included in your kits.

Thank you. And with that, I'll gladly take some questions.

**The Chair (Mr. Peter Tabuns):** Thank you. Ms. Munro.

**Mrs. Julia Munro:** Thank you very much for coming today to share the insights that you have through your organization.

Several times during the presentation you just gave, you talked about “mandatory” and the connections and consequences of mandatory. I want to ask you about feedback in the process that you were involved in. Were you involved in a consultation with the minister or with the ministry on this?

**Mr. Plamen Petkov:** Yes. We had individual meetings with the finance minister and associate finance minister. We also attended several of the consultations that Minister Hunter did across the province. Obviously, we submitted our formal submission to the minister in, I believe, mid-February.

We have, in all of these opportunities, raised the significant impact that a mandatory plan would have on small businesses. Every time when you're not given the option of opting out, every time when you're making something mandatory, especially something as big as a new provincial plan, this is certainly going to have a significant impact on the smallest businesses out there. It is much easier for a big business to be able to absorb these costs. Some big businesses already have defined benefit plans in place, so they will be exempt from the ORPP. The way our members see this proposal is that this is directed towards small and medium-sized businesses in the province.

**Mrs. Julia Munro:** Did you get any feedback or notes or concluding remarks or anything like that from the consultation process?

**Mr. Plamen Petkov:** We have not received any feedback back to us. It has been really us providing the views and opinions of our members to government through these different channels, but we have yet to receive anything back in terms of whether the government is considering making any changes.

**Mrs. Julia Munro:** So that might extend the notion of mandatory.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Plamen Petkov:** Yes, and that's something that, again, we're worried about. The mandatory notion of this proposal is, I think, the most worrisome fact.

1410

**Mrs. Julia Munro:** Thank you. Do you want to use the time?

**Mrs. Gila Martow:** Yes. Just very quickly, if maybe you could say why people object to a voluntary—why your members object to a voluntary one? There are quite a few people who still object, even if it's voluntary.

**Mr. Plamen Petkov:** The notion of a voluntary plan, administered by a third-party agency, is something that

is, I would have to say, scarier to some small business owners. Third-party or arm's-length agencies—we have quite a few of those in Ontario, and our members' experience with those has been largely negative and quite confusing. So we worry about transparency, we worry about governance, and we worry about accountability to those who will be paying into that pension plan.

**The Chair (Mr. Peter Tabuns):** Thank you very much, Mr. Petkov. Third party?

**Ms. Jennifer K. French:** Thank you. To further the point that you just raised again about accountability and transparency and concerns about the Liberal government and how they've conducted things up to this point: In terms of that, you had mentioned that you'd like to see ways of educating Ontarians to be different. Can you expand on that?

**Mr. Plamen Petkov:** Well, I think—

**Ms. Jennifer K. French:** Sorry. Actually, further to what I was saying: On accountability and transparency, how, then, should the government be educating Ontarians about the benefit of pension plans or what they're planning to do?

**Mr. Plamen Petkov:** Based on what I've seen in terms of promoting this and providing some sort of education or communication to Ontarians, I'll have to say that my experience has been that the government has focused strongly on the perceived benefits of the plan as opposed to the costs. I can assure you that there are people out there, both employers and employees, who believe that this is going to be a free plan. They believe that this is something that the government is doing for them, and of course nobody objects to having a retirement plan when they retire.

But at the same time, I think it's important to emphasize to Ontarians and to employers exactly what the costs of this plan are going to be. We know, in this room, what they're going to be. The maximum amount under the proposal is just over \$1,600 per employee a year. If you are a small employer with eight to 10 employees, you're looking at several thousand dollars that you need to pay into the ORPP. I think the missing point here is that your employees are also on the hook on a mandatory basis, and they have to pay those amounts too. I don't think too many Ontarians are actually aware of that, and I think that's where the education component is critical.

**Ms. Jennifer K. French:** Thank you, and thank you for coming.

**Mr. Plamen Petkov:** Thank you.

**The Chair (Mr. Peter Tabuns):** To the Liberals: Madame Lalonde.

**Mrs. Marie-France Lalonde:** Thank you very much. First, I want to say thank you for joining us today. I want to highlight, when it comes to accountability and transparency, that as I ran in the last election, it was defined in our budget that this was coming. So when it comes to the opposition in terms of saying that we're misleading the people of Ontario by not letting them know what's coming, I think we were very clear. The mandate that we received as a majority government was

to promote the ORPP, the Ontario Retirement Pension Plan.

Having said that, you mentioned again, which is nice to know, that there has been consultation. I think we are very mindful of our businesses, which are the backbone of our economy. I state that as a previous business owner myself. But when I look at everything the government has put in place to help businesses—one of the lowest corporate tax rates in North America.

I also look at this as a way of being predictable, rationalizing a way of keeping the employees. When I looked at myself as a previous business owner, and when I presented, before politics, my employees were definitely something that they wanted—they wanted to make sure that they would be able to save for the future. I also know that our plan will coincide with a reduction in EI, if I may, just again, correct.

So when you think about not the business perspective, which I think we've been very mindful of in terms of acknowledging and having conversations with them, but when I think of the employee, how would you say—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** —that the employee that works in the businesses that you represent would benefit from this plan?

**Mr. Plamen Petkov:** I think you've raised some really good points there, and if I could have the time to just address a couple of them. We have acknowledged in the past, and we continue to acknowledge, the things that the government has done to support small businesses, whether it's a reduction in the corporate taxes, whether it's a reduction in the small business tax rate, or whether it's increasing the EHT threshold. Most recently, we worked with Minister Duguid on red tape reduction initiatives. We are always pleased to acknowledge that progress. Our fear is that all that progress will be mitigated by something as significant as mandatory ORPP premiums being introduced to Ontario. We fear that this is going to be a very significant charge on the small business payroll. This is not about where the business owner wants to offer—

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Petkov. I apologize, but you've run out of time. I thank you for the presentation this afternoon.

## ONTARIO FEDERATION OF LABOUR

**The Chair (Mr. Peter Tabuns):** Our next presenter is the Ontario Federation of Labour: Sid Ryan. Sid, as you may have heard, you have five minutes to speak and then there are nine minutes of questions. I'll warn you at the one-minute mark. If you'd introduce yourself for Hansard, that would be great.

**Mr. Sid Ryan:** Thank you, Chair. My name is Sid Ryan. I'm the president of the Ontario Federation of Labour. Joining me today is Steve Staples, who is the director of research at the Ontario Federation of Labour.

I'm delighted to be able to make a presentation here today. For decades, the labour movement has been advo-



cating for better retirement protection for people who have actually helped to build this country. We've negotiated collective agreements that provide good pensions for our members; however, there are at least two thirds of the population, about 60% or so, who do not have a pension plan, and most of them do not belong to unions. So, in many respects, we're here today fighting for that segment of the population that does not have a decent pension plan, or in some cases doesn't have any pension plan.

I want to come back to what I heard a few moments ago from the CFIB in terms of their membership base and so on, but for now, I want to thank the government for introducing this piece of legislation. It is long overdue. But of course, the position of the labour movement is that we would much prefer to see an expansion of the Canada Pension Plan. Unfortunately, the Conservative government in Ottawa has steadfastly refused to implement such a plan—or to expand, should I say, the existing plan. So in the alternative, the Ontario government has come forth with this plan, which we support.

I'm also pleased to hear that the Liberal government also supports the expansion of the CPP. They've been working very diligently with their counterparts across the country to attempt to move the federal government into that kind of an expansion. God willing, after the next election, we'll see the back of the Tories and we'll have an opportunity to work with other parties who will hopefully expand the Canada Pension Plan.

It's important, therefore, as we lead into the next election and liberate the country, that we will be able to have at least a plan that will be folded, if necessary, into the Canada Pension Plan. Consequently, we're big supporters of expanding who becomes members of this pension plan. We don't like this designation that somehow pension plans that are defined benefit are deemed to be comparable, because it's a bit of a misnomer to believe that everybody who belongs to a defined benefit pension plan somehow has a gold-plated plan. They do not.

I'll give you a couple of examples. Folks who work in the nursing home sector, for example, earn pretty meagre wages. Their pension would be, nominally, a couple of hundred dollars per month, even though they technically belong to the OMERS pension plan or they may belong to the HOOPP pension plan, which is the one in the health care field. Likewise, folks who enter into the public sector later on in life—maybe, having worked in construction all their lives, decided that they wanted to move over into the public sector—may only have five or six or 10 years' worth of accrued pension benefits. Again, they would be leaving and retiring with a very small pension plan.

So we would like to see as many people, as broadly as possible, expand the base and have as many people into this pension plan—besides the fact that it will also cut down on the bureaucracy and the administrative costs. It could be a nightmare trying to keep track of people moving in and out, because in today's world you don't just have one job all of your life; you may have 10 or 15

jobs. So you may be moving in and out of different pension plans, and to keep track of all those folks could be an absolute nightmare.

1420

I just want to address very briefly the business community's concerns, because I've listened to them around the province. It's very interesting that the CFIB are saying that they've surveyed their members. Interestingly enough, if you take note—

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Sid Ryan:** —they say that they surveyed their members in May, when the plan was introduced but we didn't have the detail that we've got today. One thing I will say about it is that I actually did a public opinion poll of their members about three years ago, and 68% of them said, "We would love to see an expansion of the Canada Pension Plan," because they believed it would actually cut down on people being pilfered from those organizations that don't have pension plans.

I know I've got one minute left, but I'll just read from here. In March 2014, an Ontario Chamber of Commerce survey, no less, of 1,000 employers found that an overwhelming majority, 72%, "believe that pension reform should be a priority" for the government and almost 45% agree that the government should "enhance the Canada Pension Plan ... by requiring employers and employees to pay higher CPP premiums." So it puts to the test: Just exactly what are you hearing from the CFIB? These folks actually opposed the increase in the minimum wage, and I swear if you were around in the 1800s they would have—

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Ryan; we're going to go to questions. Ms. French, third party.

**Ms. Jennifer K. French:** Thank you very much to both of you for coming.

I'm looking here at the bill itself, and there's a section, "The individual does not participate in a comparable workplace pension plan as determined under the legislation...." As this bill sets out—that there will be people who are exempted and comparable. You brought up a couple of issues: portability, the logistics of keeping track of people as they move from job to job, and that sort of thing.

I'd like to give you the opportunity to expand on what you were saying about expanding who could become members of the plan, rather than the focus on exemption.

**Mr. Sid Ryan:** Right now, as I said, there's a misnomer out there that everybody who belongs to a defined benefit plan somehow has a gold-plated pension plan. That's simply not true.

I've just given a couple of examples of where there are people in different occupations that are low-paying jobs, in some cases precarious workers. They may even be working in the hotel industry; they may have a small pension plan that's regarded as defined benefit; but the work is precarious; the work, generally speaking, is part-time; they get a limited amount of hours in. So when they actually retire, many of them will be retiring into poverty.

We're hoping that this pension plan will recognize that and expand the base and capture those folks and bring them in, because if we are going to eventually dovetail the ORPP with the Canada Pension Plan, then it makes a lot of sense that everybody who's in the Canada Pension Plan should also be recognized as being part of this plan.

We think that the CFIB, for example, would be better off spending their time looking to develop a pension plan for their members rather than opposing ideas that are coming forward to enhance and improve the possibility that people can raise themselves out of poverty when they retire. They'd be much better off if they spent their time working at making these pension plans available to their members.

**Ms. Jennifer K. French:** Okay. Is there, then, a pension plan or pension situation that you would consider comparable, and therefore be subject to exemption? Is there a safe enough or secure enough plan?

**Mr. Sid Ryan:** I certainly don't see any of the defined contributions or those glorified saving pension plans like the PRPPs or RRSPs. Look, people do not have the disposable income right now; it's clear. With the economy that we're in, with the manufacturing sector being decimated, high unemployment, stagnation in wages—people haven't seen a real wage increase, when you factor in inflation, over the past 20 years. Their disposable income is such that they don't have any disposable income to be able to put into any vehicles such as savings plans like RRSPs or PRPPs. This is the alternative, and this is the only way to go. The Canada Pension Plan, for example, the model that we're looking at here, is the most efficient pension plan in this country right now, and management fees are only one half of 1%.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Ryan. We're going to go to the government. Madame Lalonde?

**Mrs. Marie-France Lalonde:** Thank you very much for coming here today and bringing a positive view on what we're trying to accomplish. I must reiterate, just on record, that our government's preferred choice is the enhancement of the CPP plan. I think we made it very clear as a mandate letter with our Associate Minister of Finance.

Having said that, what I'm hearing from you is that you are clearly identifying a need for regular folks out there to have a predictable savings option in the future. I'm wondering if you could tell us, based on what you believe: How do you feel the ORPP, our Ontario Retirement Pension Plan, will benefit the workforce that you are here to talk about today, now, but also for the future?

**Mr. Sid Ryan:** Well, it will have a limited impact, I believe, on unionized members, because, as I indicated, a lot of them belong to decent pension plans and a lot of them are in the workplace long enough. I gave some examples of where, even though you may belong to a good pension plan, when you retire you may not have, based on your wages, based on your length of service in the business, a great pension. Therefore, they should be included.

But I'm particularly interested in, and the labour movement is particularly interested in, the two thirds of Canadians or Ontarians who don't belong to a pension plan. Those folks are retiring into poverty. Shame on any political party that would turn around and deprive those folks of an opportunity to be able to retire with some degree of dignity and respect. The plan that is being put forward by the business community and this plan being opposed by the business community just doesn't do it. They've not put forward any plan. We know for a fact that there are huge amounts of pensionable potential—

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Sid Ryan:** —that's not being utilized because people don't have the money to put into their RRSPs at the end of the year. So this is the vehicle by which we need to start to raise two thirds of Ontarians out of poverty.

**Mrs. Marie-France Lalonde:** In your opinion, would you say this is sort of an advantage for the business community in terms of staff retention and promoting the future of their employees?

**Mr. Sid Ryan:** That's where I was trying to get to a few moments ago. Thank you for raising this. When we did our public opinion poll of business in Ontario, the number one priority, the reason that they gave for supporting the expansion of the CPP at the time, was that they would be able to retain their staff. They said, "We're in competition with the companies, the larger corporations down the street that are offering a pension plan, and they're pilfering good employees away." Sometimes employers will invest a lot of money in training, only to see that employee go down the road because they're interested and worried about their security in the retirement years. This, again, is another vehicle by which you can actually retain your employees, so it's a great example—

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Ryan. We're going to have to move you over to the official opposition. Mrs. Martow?

**Mrs. Gila Martow:** Thank you, Mr. Ryan. I just want to quote you: "People do not have the disposable income to put into PRPPs or RRSPs." This would take away from people's income, so I'm wondering why you feel that people don't have the disposable income for RRSPs but they'll have the disposable income to put into this pension plan.

**Mr. Sid Ryan:** Well, this is a relatively small amount of money. It's 1.9%. When you invest it in a large pool with several million other workers, you share the risk across the system, and the benefit and returns that they get out of it are far superior than if you're trying to take \$4,000 or \$5,000 out of your disposable income and putting it into an RRSP.

But also, RRSPs and PRPPs, over their lifetime—if you invest into an RRSP, at least 40% of every penny that you invest would be eaten up in management fees. That's basically highway robbery, is what it is—and when you offer that out as an alternative to the pension plan, the CPP, where it takes one half of 1% to manage



the pension plan, so you can almost guarantee that every penny you're putting into that pension plan you're going to get back.

All we're doing with the PRPPs and with the RRSPs is that we're making folks on Bay Street rich at the expense of workers who are putting in that money. Most people don't realize that 40% of every penny you put into an RRSP gets eaten up in management fees.

**The Chair (Mr. Peter Tabuns):** Ms. Munro.

**Mrs. Julia Munro:** Yes. I just want to bring to your attention that in the Progressive Conservative Party we are as concerned about people retiring in poverty as anyone else, but I choose to use the words of Jack Mintz, who, in looking at this proposal, has indicated that it actually isn't good for people who are of modest means, that the clawback that would take place would actually have this person with less money than they would at the start—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mrs. Julia Munro:** So I think we need to look at the details; that's why we're here. But when you have someone whose analysis demonstrates that the person would be worse off, we have to question why we're here doing that.

**Mr. Sid Ryan:** Sure. And that's a great question. Thank you very much. We actually share that opinion as well. We've got some concerns about those at the very low end of the income scale. If you take a look at our brief, you'll read it in there. I believe you can use the tax system, though, to be able to rebate taxes in some way, shape or form.

1430

Again, we're only designing the plan right now, but I'm positive that the tax system can be used in a progressive way that actually compensates those folks who at the beginning of the year may end up having to take something out of their disposable income, but at the end of the year, in their tax returns, will be able to recoup that again. But it's a good point. It's a concern that we've got, those folks at the very end of the low-income scale. That question needs to be looked at in a serious way.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Ryan. Our time is up.

**Mr. Sid Ryan:** Okay. Thank you very much.

**The Chair (Mr. Peter Tabuns):** A pleasure.

ASSOCIATION OF MANAGEMENT,  
ADMINISTRATIVE AND PROFESSIONAL  
CROWN EMPLOYEES OF ONTARIO

**The Chair (Mr. Peter Tabuns):** Next is the Association of Management, Administrative and Professional Crown Employees of Ontario, AMAPCEO: Mr. Bulmer. Mr. Bulmer, as you may have heard, you have five minutes to speak. I'll give you a warning at the one-minute mark. Then there will be nine minutes of questions rotating between the three parties.

Please give your name for Hansard.

**Mr. Dave Bulmer:** Good afternoon, Mr. Chair and members of the committee. Thank you for the opportunity to speak to you today on behalf of the 12,000 members of AMAPCEO. As mentioned, my name is Dave Bulmer, and I am the newly elected president of the association.

We are the second-largest union representing members of the Ontario public service. We also represent members at seven broader public sector agencies. We represent supervisory and professional groups within the public service. Among others, we also represent the policy and financial analysts and economists who are doing the work on the preparation of the ORPP.

Our members are fortunate to have the ability to contribute to, and benefit from, a couple of excellent defined benefit pension plans. Most of them are through the Ontario Pension Board, with some others through the hospitals of Ontario pension plan.

The ORPP represents a significant opportunity for the province to do some lasting good for the people of Ontario. AMAPCEO fully supports the notion of extending pension coverage as widely as possible. In order to do this, the ORPP must be a universal program, with mandatory enrolment and availability at all employers in the province.

The Ministry of Finance's discussion paper states that enhancement to the CPP remains the province's preferred approach to strengthening the retirement income system. While the current federal government has not expressed a desire to enhance the CPP, that does not foreclose the possibility for a future government to support such an enhancement. This being the case, and given the Ontario government's stated preference, it behooves the government to establish the ORPP in a manner in which it may be easily integrated with a potentially enhanced CPP. This means that the ORPP must map onto the key characteristics of the CPP; namely, it must be universal, with mandated membership for all Ontarians, and it must be a truly defined benefit plan.

AMAPCEO believes that an ORPP with mandated universal membership is a necessity for several reasons, including portability, mitigation of "pension envy," and fairness. A universal pension, as opposed to one available only at a select few employers, would burnish the ability of Ontario workers to move between employers. Structuring the ORPP in this fashion would provide an important net gain in labour mobility. This would be good not just for AMAPCEO members who might pursue opportunities with a new employer, but also for the province's economy as a whole.

One doesn't have to look far to find the latest Fraser Institute or Canadian Federation of Independent Business attempts at heaping scorn on defined benefit pension plans and the public servants who contribute to them for their own retirements. I'm sure you will hear from many of these groups over the coming days of your hearings. The reason that these attacks, flimsy though they may be, catch on with a segment of the public is simple enough to understand. It's what we refer to as pension envy. That

envy springs from the very matter that the ORPP is intended to address, and that is the gap in savings for retirement.

Some of the statistics here are well known. While some three quarters of Canadians working in the private sector have no workplace pension to speak of, more than 80% of workers in the public sector have pension coverage. That such a disconnect is problematic can hardly be surprising.

What we believe the government is proposing by way of the ORPP is something much fairer for Ontarians, and that is the promise of dignity in retirement for all. By making the ORPP a universal plan, the government would go a long way towards mitigating pension envy. However, leaving out employers who provide comparable plans—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Dave Bulmer:**—as both the 2014 budget and the discussion paper suggest, would only make the ORPP appear to be a second-best option. Universality will make all Ontarians feel that they are getting equal treatment, that they are getting the same basic chance at a dignified retirement, whether or not their employer offers a comprehensive defined benefit plan on top of the ORPP. AMAPCEO believes that, with a universal plan, integration with the comparable defined benefit plans can be resolved to the satisfaction of plan members and the public interest.

Of course, the interests of existing plan members who do have defined benefit plans must also be protected, and the viability of their plans and benefits must be preserved. However, should the comparable exemption be pursued by the government, it is the public sector and the ever-shrinking roster of large and wealthy private employers who would be left out of the ORPP. What sort of message would this send to the public?

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Bulmer. We go to the government caucus. Madame Lalonde?

**Mrs. Marie-France Lalonde:** Thank you again for coming to be with us today and sharing your thoughts on our plan to move forward, I guess, in ensuring that Ontarians have decency upon retirement, if I may say that.

As you know—and I know I said it earlier, but I just want to reiterate—certainly our plan, what we're hoping to do, is to create a mirror image of our CPP. As you are aware, unfortunately the federal government at this point does not feel the need to enhance the CPP, where we're saying that this is not the right thing to do. So we're going to be moving forward, hopefully, with this plan by listening to all of you and what you're saying to us.

If I may ask you a question, though, based on your surveying some people and looking at your members: How has the landscape changed over the last few years? How are you seeing the change coming when it comes to retirees?

**Mr. Dave Bulmer:** I'm not sure where to start with your question, but our members are wholeheartedly in

support of widespread pension availability. We would implore the federal government to enhance the CPP; anything that can happen at the provincial level, we're truly supportive of.

We have an older demographic, so our members are very much interested in not only their own pension futures, but those of all Ontarians. We're not isolated within our own communities. Unlike some of the public perception that's out there, we're not selfishly interested in our own interests only.

Anything that anybody is willing to look at, we're willing to support. We have some concerns, but we're willing to look at anything that's out there.

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mrs. Marie-France Lalonde:** As you know, this is an evolving process. We're having consultation here, but certainly the associate minister is looking when it comes to the papers and the questions put forward. Have you been able to express some of your thoughts on this?

**Mr. Dave Bulmer:** Yes, we have. We've submitted a paper.

**Mrs. Marie-France Lalonde:** Excellent.

**Mr. Dave Bulmer:** We're very interested and thankful for the opportunity to be here today, as well.

**Mrs. Marie-France Lalonde:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you. To the official opposition. Mrs. Munro.

**Mrs. Julia Munro:** Thank you, and thank you for coming. I want to ask you about the issue of "comparable," because you talked about what you would like to see down the road, but at this point we have no definition of what's comparable. I wonder, when you are in the position that you are in, have you considered what you would think is comparable?

**Mr. Dave Bulmer:** Potentially the plan that I'm a member of is comparable, and that could actually be at odds with my members. I'm here to initially represent them, but I'm also here to represent Ontarians and the people we provide public service to. We would naturally have concerns with integration; in the same way that CPP integration occurs, there would have to be a consideration of ORPP integration. I don't pretend to be a pension expert, but I know that there could be some negatives to comparable plans from a tax perspective. But I don't think that any of that is beyond consideration, mitigation or finding solutions.

**Mrs. Julia Munro:** It seems to me that there have been some mandatory or arbitrary decisions, one of which was to choose 1.9% as the amount. How does that figure as what you would pay as an employee in AMAPCEO?

**Mr. Dave Bulmer:** Once again, not being a pension expert, my understanding of it is, mine is in the 2% neighbourhood.

1440

**Mrs. Julia Munro:** There are lots that are higher, though, aren't there?

**Mr. Dave Bulmer:** Yes.



**Mrs. Julia Munro:** And what happens to those private sector pensions, which, frankly, have a higher percentage of contributions, and it may only be the contribution of the employer and not the employee? How does that fit in to comparable?

**Mr. Dave Bulmer:** I'm not sure how to answer that. I don't have the answer for that question. It's obviously very complicated.

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Dave Bulmer:** I don't think that it's without solution, though, to contemplate all-inclusive participation in an ORPP. The things that you've spoken to would have to be addressed, and there would be many angles of concern for everybody that's involved, but at a greater level I believe it's in Ontarians' best interests to have this done.

**Mrs. Julia Munro:** Just one final point: When you were talking about your own pension as an example of a defined benefit plan, the payer of last resort is the taxpayer. How are you going to take a system such as that which exists in the public sector and put it in the private?

**Mr. Dave Bulmer:** It's going to be difficult. The pension plan that I am a part of is almost fully funded. It has a recent mortality. It's as healthy as a pension plan can possibly get. It would be a model to look at—

**The Chair (Mr. Peter Tabuns):** I'm sorry, Mr. Bulmer; we've run out of time with this question. I'm going to go to the third party. Ms. French.

**Ms. Jennifer K. French:** Thank you very much for joining us here today.

Back to your original points of universality—mandated membership for all Ontarians and the goal of ultimately having a plan that can be smoothly integrated with the CPP and ultimately a CPP expansion: If the ORPP isn't universal, how might that goal of smooth integration with the CPP—and, ultimately, enhancement—be challenged? What are some specifics?

**Mr. Dave Bulmer:** I don't know that I'm able to answer your question. As I said before, I'm not a pension expert. But I have to believe that there has to be contemplation out there of any number of ways to integrate things. If we can do it at present with the CPP in the way that we do, anything that we contemplated at the provincial level, whether it's all-inclusive or not—there has to be a way to do it. There are much brighter pension minds than mine that I'm sure can turn their focus to that.

**Ms. Jennifer K. French:** I'll reference something else that you had brought up. You were talking about your own plan, and that your plan might be considered potentially comparable. But I would ask: Are all members under your plan in comparable situations to your own?

**Mr. Dave Bulmer:** We have members who are either a part of the PSPP, administered by the Ontario Pension Board, or we have a few hundred members who are within HOOPP, or the hospital plan, and we would all have very similar situations or scenarios.

**Ms. Jennifer K. French:** As my colleague from the Conservatives brought up, the issue of comparability on the contributions side, that when we're comparing 3.8%

to—pick a number—with a different pension plan, that that's comparing the contribution side. So in terms of benefits—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** Do you have thoughts on that piece of comparability?

**Mr. Dave Bulmer:** As far as benefits?

**Ms. Jennifer K. French:** Yes.

**Mr. Dave Bulmer:** If the suggestion is tying it to the contribution or what the contribution rate is, that may be something that needs to be necessarily looked at. Obviously, we would like to see the benefit applied equally when it comes out the back end, regardless of what contribution there might be. But there may need to be some linkage in some instances where people are paying different amounts at comparables.

**Ms. Jennifer K. French:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thanks very much, Mr. Bulmer.

#### ONTARIO CHAMBER OF COMMERCE

**The Chair (Mr. Peter Tabuns):** Our next presenter is the Ontario Chamber of Commerce: Mr. Liam McGuinty and Mr. Scott Boutilier.

*Interjection.*

**The Chair (Mr. Peter Tabuns):** The danger of sitting at the back.

As you know, you will have five minutes to present and nine minutes of questions. I'll warn at the one-minute mark. Could you introduce yourself for Hansard?

**Mr. Liam McGuinty:** Thanks for having us, first of all. My name is Liam McGuinty. I'm the manager of policy and government relations at the Ontario Chamber of Commerce. Scott Boutilier is with me. He's a policy analyst at the OCC. I will be brief.

I think the Ontario chamber's position is well known. We've been doing advocacy on this for eight months, but I don't think effective lobbying is sitting on the sidelines throwing grenades. We've tried to be constructive players in this discussion. It seems the government is intent on moving forward with the ORPP, so the nature of our advocacy has been pushing government in a virtuous direction; that is, we need answers to some key questions, because I don't think anyone around the table has enough facts to make an informed opinion on the ORPP and its impact, especially in the short to medium term.

You've got the Dodge report out there, which is a very good macroeconomic perspective on one tenet of pension reform in the long term, so we're talking about consumption power in the long term. What's much less clear is: What's the short-to-medium-term impact on business climate, on jobs specifically, on GDP and on foreign direct investment? We don't have those answers. I haven't seen those answers being produced yet from any one party. So that is the message we'd want to leave with you too.

I'm happy to talk a little bit later on about the broader regulatory and cost burden that's on businesses. But, for now, I'll pass it on to Scott.

**Mr. Scott Boutilier:** You should all have in front of you our submission that we recently provided to the Ministry of Finance, which outlines three broad concerns that we have, one of which Liam already described, which was the unknowns around the economic impact of the proposed ORPP.

The second concern we have is around the problem definition itself. It is true that some Ontarians are facing an undersavings challenge, but we've seen recent evidence that suggests that perhaps the problem is much narrower than how it has been defined in the past. According to a recent McKinsey report, 83% of Canadian "households are actually on track to maintain or exceed their level of consumption in retirement."

That report goes on to say that it's actually middle-to-high-income earners in Canada who are most at risk from undersaving, particularly those who don't have workplace pension plans or who aren't contributing enough to those workplace pension plans that they have.

When we look at the ORPP to boost retirement savings, really, for this group that's undersaving, it takes a much broader approach to what we see is a narrow, targeted problem, and that it demands increased retirement savings from a much larger segment of Ontario's population, which we don't think is the most effective or efficient way to deal with the problem.

The final concern that we outline in our submission is around how the government has defined a comparable pension plan in its most recent consultation document, which does not include any form of workplace pension plan other than defined benefit or target benefit multi-employer pension plans.

Our concern with this is that it actually penalizes the many employers who already contribute to their employees' retirement savings through pension plans like defined contribution plans and often contribute at a much higher rate than would be mandated under the proposed Ontario Retirement Pension Plan. Again, by adopting a narrow definition of comparability, the ORPP might force individuals who are actually saving enough for retirement to boost their retirement savings even more and not contribute to a more efficient solution, with the unintended consequence of adding further costs on to business.

We really recommend that the definition of comparability be expanded to include other types of workplace pension plans that are currently available, like defined contribution plans or group RRSPs.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Liam McGuinty:** The final point that I'd add is to consider the broader context as well. So the counter-criticism, when we put out our piece on the ORPP, was, "Look, the ORPP is not an extreme cost." If you do the math, if you're looking at a business that employs 10 people at a \$50,000 salary each, you're looking at \$9,000

in new costs. No, that's not an extreme cost, but for a small business it is a very substantive cost, and that's certainly what we're hearing from our network. Only 25% of them say they can actually absorb the cost, but you need to consider the broader regulatory and cost environment, right?

ORPP is coming at the same time as a 16% gradual hike in electricity rates. We now have some of the highest WSIB premiums in the country. The minimum wage is the second-highest in the country, and now we have a new carbon-pricing regime and it looks like it might be cap-and-trade, which puts the onus on business. You need to consider the broader regulatory impact. Policy can't be made in silos. It shouldn't be used in isolation. You need to consider the broader impact that it's having on business competitiveness in Ontario.

1450

**The Chair (Mr. Peter Tabuns):** Thanks, Mr. McGuinty. The first question goes to the official opposition. Ms. Munro? Ms. Martow?

**Mrs. Gila Martow:** Yes. I just wanted to say, very quickly, thank you for coming in, for raising your concerns. You're right in that I think that the big picture gets overlooked, which is that a lot of businesses will not be able to cope with these additional costs. A lot of homes will not be able to deal with this kind of burden. You're helping one group of people for their retirement, but you might be hurting them getting there.

As well, are you concerned that, with some plans, people might be moved out of a very good plan, where they're actually going to have a higher pension, into this provincial plan, where they might actually be getting less monthly income? Is that a concern at all?

**Mr. Liam McGuinty:** It's the unintended consequences that we're raising questions about, because we don't know the full impact and we don't know what will happen to existing pension plans. I don't know if anyone can say with any degree of certainty if we're sure what's going to happen.

To your point, a lot of businesses offer defined contribution plans. Let's say the contribution rate is at 6% to 8%—and that's quite common, actually. We've held several consultations with the minister, who, by the way, has been fully engaged with us on this issue, as have all parties. So you have a 6% to 8% contribution rate, and then the ORPP is a 1.9% contribution rate. What's going to happen to that 6% contribution rate? That's the question that we're asking.

You might see a clawback in the existing DC rate. Businesses may make the decision that, "To remain cost-neutral, we'll claw back by 1.9%." Then the intended impact of the ORPP is not what it was meant to be, if you're creating a net-neutral scenario.

We don't know if that's going to happen. That's why we're asking for a comprehensive analysis of the impact of the ORPP in the short to medium term. As I mentioned, the Dodge report does a very good job at a long-term macro perspective on consumption power. What we haven't seen is that short-to-medium-term



perspective on what will happen in terms of job creation, hiring decisions etc.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Liam McGuinty:** By the way, we've done a survey of our members, and 44% of them say—I think Scott mentioned this—that they'll have to delay hiring decisions or lay off staff in the near term as a result of the ORPP. Again, that seems like an extreme position, but you have to consider it in the broader context of the growing costs and regulatory burden faced here in Ontario over the last couple of years.

**The Chair (Mr. Peter Tabuns):** Ms. Munro.

**Mrs. Julia Munro:** Yes. Thank you very much. I certainly appreciate the issues that you've raised. I guess my question to you is: In being able to come here today and formulate the kind of responses that you have had, how much help do we have from the ministry in terms of any indication of these details and how they're being responded to? We have a bill before us that is essentially an enabling bill that does not provide the kind of detail that we're looking at—

**The Chair (Mr. Peter Tabuns):** Ms. Munro, I'm afraid you've used up the rest of the time. We'll go the third party. Ms. French.

**Ms. Jennifer K. French:** Thank you. I appreciate your coming here today. I'm taking a look at your submission, and something you had mentioned about the 83% is the proportion of households that are on track to maintain or exceed the level of consumption in retirement when we're talking about undersavings.

My question about that is, because I'm not clear with the survey specifically: When you're talking about households, what would constitute a household? Was it also low-income housing or is it those who are homeowners, when you're talking about who is on track for savings? Additionally, to maintain or exceed their current level of consumption, are we taking into account those who are currently living in poverty situations?

**Mr. Liam McGuinty:** The 83% you're referencing is from a McKinsey report, so I can't speak to—I'm sorry—the details of that report. But I think you raised a good point, which is: We're not entirely sure of all the facts on the table, right? So this question is one of many that have been raised in terms of the short-to-long-term impacts of the ORPP.

What we can tell you is, from our perspective, we conduct the biggest survey of business opinion in the province. That 25% number I referenced earlier: That's a survey of over 1,000 businesses. It's 25% of businesses that say they're comfortable absorbing those costs or that they're able to absorb those costs.

I can speak in more detail to those survey results. I can't speak in detail to the McKinsey report.

**Ms. Jennifer K. French:** Okay. Then to further that, those who are less able or more able to absorb costs and whatnot—obviously within the business community, there would be a lot of discussion on this topic. It could be understood that there may be some businesses that

would be put more at a disadvantage. So, then, my question for you is: Assuming that the ORPP is coming, is there a way to even the playing field? Would there be a benefit to having no one exempt—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** —and all participating in the plan? Would that somehow even the playing field and create less of a disadvantage?

**Mr. Liam McGuinty:** I think the point that I would make there is that if you talk to an average business in Ontario, I think the response to you would be, "Let's put the brakes on the ORPP." We have seen that this government is intent on moving forward with the ORPP, so we're trying to steer the conversation in a virtuous direction.

Let me touch on one of the points you made. Defined contribution plans are currently considered non-comparable under the ORPP. That is a serious risk for the intent of the ORPP, which is to increase retirement savings. We fear that the unintended consequence of making defined contribution not comparable is that you'll get a decline in contributions from employers in those plans. That's one thing the government can look at. We're urging you to do that. You'll hear other business organizations make the same point: Let's re-evaluate comparability.

**The Chair (Mr. Peter Tabuns):** Mr. McGuinty, thank you. To the government: Mr. Delaney.

**Mr. Bob Delaney:** Thank you, Chair. Mr. McGuinty, a question for you: How would the Ontario Chamber of Commerce react if the government of Canada were to enhance the CPP to accomplish the very same goals as the ORPP?

**Mr. Liam McGuinty:** Between the two options—if we're looking at two options, ORPP and CPP enhancement—of course CPP enhancement is our preferred option by far, and I'll tell you why. Let me go into some detail. Number one, the establishment of the ORPP puts a cost on Ontario employers, and Ontario employers alone. A CPP enhancement would level the playing field across Canada.

**Mr. Bob Delaney:** Okay. I get the point. So you mentioned earlier—you quoted an American management consulting firm, McKinsey and Co. In fact, they are the outlier. Let's take a quick look at what Canadian analysts are finding.

CIBC said that 54% of Canadians are not making a contribution to their RRSPs. Sun Life Financial said that 60% of respondents now expect to work past 65, which is up from 48% not that many years ago. The Royal Bank has a whole extensive number of findings, among them that 75% of female respondents say that they do not have a retirement savings goal, compared with 62% of male respondents.

Former Bank of Canada governor David Dodge has said that this will be good for the economy in the long run. My question to you is, why are Canadian analysts in favour of this, and the Ontario Chamber of Commerce and American analysts against it?

**Mr. Liam McGuinty:** With respect, there's actually a Sun Life report out there talking about the narrow problem that exists. Scott referenced it. The narrow problem that exists is that we have middle-to-high-income earners who are not replacing their income at an adequate rate. The McKinsey report says the same. Actually, the Dodge report mentions a bit of the same as well—

**The Chair (Mr. Peter Tabuns):** A minute left.

**Mr. Liam McGuinty:** —and he also talks about the impact on economic growth in the short term.

I think the point that I'd make is that we don't have a solid understanding of all the facts. I've listed several reports that mention one thing; you've listed several reports that mention the other. That's one of the reasons why we're calling for a comprehensive economic analysis of the short- and mid-term effects.

**Mr. Bob Delaney:** Thank you, Chair. I believe Mr. Colle has a question or two.

**The Chair (Mr. Peter Tabuns):** Mr. Colle.

**Mr. Mike Colle:** I'm flabbergasted by this figure here in your report: 83% of Ontarians and Canadians are said to be on track to maintain their standard of living in retirement and they think everything is rosy. The people who I meet every day are just the opposite. They can't maintain their standard of living today with the cost of living, certainly in Toronto. They can't make ends meet. Who did they survey, saying things are going to be great going into retirement? They're going to maintain consumption of what? They can't consume right now, because they don't have any money in their pocket. Who did they interview?

**Mr. Liam McGuinty:** So, again—

**The Chair (Mr. Peter Tabuns):** Mr. Colle, Mr. McGuinty: You've used your time. It was a very fulsome question, but it didn't leave time for an answer. Thank you very much.

MR. PETER THACHUK

**The Chair (Mr. Peter Tabuns):** Our next presenter—*Interjections.*

**The Chair (Mr. Peter Tabuns):** Gentlemen. Gentlemen.

Mr. Thachuk?

**Mr. Peter Thachuk:** Good afternoon. My name is Peter Thachuk. I've brought my wife, Anita Thachuk, and a colleague, Josef Kreppner, with me.

**The Chair (Mr. Peter Tabuns):** Mr. Thachuk, you know the routine: five minutes to speak and nine minutes of questions. I'll give you a one-minute warning when we get close to the end.

**Mr. Peter Thachuk:** Okay.

**The Chair (Mr. Peter Tabuns):** Please.

1500

**Mr. Peter Thachuk:** Good afternoon. My name is Peter Thachuk. I thank you for allowing me to speak and I thank you for listening.

I have worked as an Ontario civil servant with the Municipal Property Assessment Corp. and its predecessors

for 33 years. I recently turned 60 and my thoughts have turned towards retirement and to my pension. Coincidentally, the Ontario government is also thinking about enhanced pensions for all Ontarians.

I am seriously concerned about the ability and the intentions of this government to administer a pension plan based on the experience I, and countless other civil servants, have suffered at the hands of provincial government since 1998.

I was hired by the Ministry of Revenue as a property assessor in 1982 and have made all required contributions to my pension plan since then, so I should be able to expect a full pension cheque. Unfortunately, I, and many civil servants, will receive drastically reduced pensions because the mid-1990s provincial government, when divesting various ministries, allowed their employees' pension plans to be gutted through the unilateral and unnecessary splitting of our pensions.

One would presume that the 1998 government sought and received legal and financial advice on how to divest so many employees. One would further presume that responsible government would rectify the egregious mis-handling of Ontarians' pensions when informed in September 2001, in a memorandum authored by the various pension plan administrators, that a split pension would "financially disadvantage" their employees. I've provided a copy recently obtained through freedom of information for each of you.

For 16 years, I, and many other employees and retirees, have approached government representatives and our employer about our split pensions. Additionally, my employer, MPAC, has also requested, in writing, numerous times that government rectify the split pension issue. A written copy has been provided for you also.

In 2007, Harry Arthurs chaired the Ontario Expert Commission on Pensions and directed the provincial government to address the split-pension issue. His recommendation 5.5 states, "The government should promptly address the situation of public service employees affected by the restructuring of government responsibilities and agencies in the late 1990s."

It is my understanding that the Legislature supported recommendation 5.5. To this end, Bill 236 was passed. Instead of properly addressing the split-pension issue, the various pension plans are using Bill 236 as an opportunity to require those of us victimized by split pensions to pay millions of dollars to them in order to merge what should never have been split.

The pension plans are trying to justify their actions by the introduction of the concept of a hypothetical, unjustifiable shortfall of service which must be covered financially by the employees. This hypothetical issue would not have been created if our pensions had never been split.

In my case, on August 22, 2014, I received a letter giving me 90 days to decide whether I will pay OMERS in excess of \$173,000—\$173,000—in order to receive a pension previously paid in full during my 33-year career. I am one of thousands affected in this way.



By participating in this opportunity, I also lose any post-retirement health benefits. This means employees will be compensating ourselves due to the negligence, self-interest, and/or incompetence of those who we expect to protect our interests.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Peter Thachuk:** Apparently, no consideration has been given to anyone retiring post-1998 and pre-2014 with regard to their split pension.

To conclude, while laudable to aim for pensions for all working Ontarians, the best indicator of future behavior is past and present behavior. In order to regain trust for this government, I, and many others, look to this committee to rectify past behaviour with present solutions to the split-pension issue.

Hopefully, once accomplished, you will be able to administer fair and equitable pensions for future generations. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Thachuk. First questions go to the third party. Ms. French.

**Ms. Jennifer K. French:** Thank you. First of all, I'd like to say that we very much appreciate your being here and bringing voice to a very significant issue that, as you said, is affecting many, many, people. I'm sorry for the situation that you find yourself in as well. Sixteen years is a long time to not rectify or address an issue.

One of the things that you're making me think of: When we're talking about the ORPP, we're looking at a future option and a future situation. We've been speaking in the Legislature about also ensuring that those with current pension plans and in current situations be looked after and that we protect and strengthen those plans, but you're also bringing up a situation that has happened in the past and has yet to be addressed. So you definitely paint a picture that needs to be considered.

I'll give you the opportunity to sort of expand on what you would like to see in terms of the ORPP. This bill allows for, or talks about, the creation of a body that's going to be administering this plan. What would you caution the government, or what would be your recommendations where that's concerned?

**Mr. Peter Thachuk:** Well, I would caution you that the legislation—actually, I'm not sure how to advise here, because we did have protection in the legislation. I believe, and I've passed a memorandum around that I believe indicates, that the government did receive—they were cautioned back in 2001. So if, in fact, there are these protections there, and yet governments, or bureaucrats, are turning a blind eye to them, I'm not sure how to advise you here. It's already there.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** You brought up Harry Arthurs' report and the recommendations, and there are a number of recommendations that—it's also our recommendation that we revisit those and not just focus on moving forward but focus on what hasn't already been

accomplished, or regulations that haven't yet been promulgated. Again, I appreciate your being here today. What have you been told in terms of—is there any forward movement on this for you?

**Mr. Peter Thachuk:** We've basically been told that if we want to get any action, we have to sue. I find that appalling. Where my employer has tried to rectify it—we should never have been in this position in the first place. We were not allowed to be at the table at the time the decision was made. We were thrown into the new pension. It didn't have to be done. Yes, to divest us was the right of the government at the time, but the originating pension plans certainly didn't want to give us up. There was no need to. I think it was the politics of meanness and self-interest that—

**The Chair (Mr. Peter Tabuns):** Mr. Thachuk?

**Mr. Peter Thachuk:** Yes.

**The Chair (Mr. Peter Tabuns):** Thank you, and I have to go to the next question. Ms. Lalonde.

**Mrs. Marie-France Lalonde:** First of all, I want to say thank you very much for joining us today and for raising a situation that actually, in all fairness, has been raised by one person in my own riding, as a constituent. It is very unfortunate what you've experienced, and that's what my commitment to that constituent is: to see how I can help him as an MPP.

Having said that, today I would like maybe just to refer you to an issue that we are bringing forward, which is an Ontario Retirement Pension Plan and maybe having your thoughts on having a plan that will protect, actually, Ontarians in terms of securing their future when it comes to pension security down the road. How do you feel with our plan at this point, the ORPP?

**Mr. Peter Thachuk:** I believe your plan has merit. However, I believe you still have to clean up your own house with your employees before, in fact, you expand your constituency.

**Mrs. Marie-France Lalonde:** Okay. But would you say that there is a savings concern among Ontarians not saving enough for their future? Is that fair?

**Mr. Peter Thachuk:** I really don't know. I know that from the day I started working that I understood that there was at least somewhere between 6% and 10% of my salary I would never see, and that was put forward for a pension. So, in fact, I believe possibly if I did not have that type of pension, I may not have been able to have a defined benefit pension when I retire, which makes it particularly galling when, in fact, I find that it's been reduced so substantially, because I've done everything that was supposed to have been done.

**Mrs. Marie-France Lalonde:** Like I say—

**Mr. Peter Thachuk:** I fear for the future.

**Mrs. Marie-France Lalonde:** You fear for the future of that situation, when previous governments made some decisions without looking forward in terms of outcomes for their employees.

1510

**Mr. Peter Thachuk:** Correct, and I believe we all should be afraid until there is some requirement that

politics aren't played with the people of Ontario, whether they be employees or general citizens.

**Mrs. Marie-France Lalonde:** I look at the way we are bringing forward this plan and the amount of consultation that is actually being introduced to the people of Ontario. When I look at it from a platform perspective as an election campaign, I look at it from our associate minister moving forward all across the province, having these hearings. I feel a little bit reassured about this current government looking after the best interests, actually, of the people of Ontario, for the future of Ontarians.

**Mr. Peter Thachuk:** Well, I think you need to go back to Bill 236—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that you've run out of time there.

**Mrs. Marie-France Lalonde:** I'm sorry.

**The Chair (Mr. Peter Tabuns):** I have to go to the opposition. Ms. Munro.

**Mrs. Julia Munro:** Thank you for coming. I'm very disturbed by your presentation because I, too, have constituents and I've worked with one of our own caucus members. The Liberals have had 12 years to rectify a relatively—not in terms of its impact, but a relatively easy thing that could have prevented this situation for you and for so many others. You've reminded me that it still has not been addressed. I remember working with one of my caucus colleagues and he came back to me and said, "I've been assured that this is going to be taken care of." Obviously, that was not the case.

**Mr. Peter Thachuk:** Well, Bill 236 was supposed to address it. Somehow the agenda was hijacked by the pension plans, who have decided to make themselves whole on our backs. This is double-dipping. There is no shortfall. All I'm really looking for is a forum to address this, but I keep getting shut down. I get shut down by my own MPP. I get shut down in every other—actually, I want to thank you, because this is the first forum that has agreed to even listen to me. So thank you very much.

**Mrs. Julia Munro:** Well, I can assure you that I and my colleague worked on this file several years ago and he assured me that he had been given the message from this government that they were going to work on it, because he came back to me and said, "It's taken care of." Clearly, it's not, and I think renewed vigour is required.

**Mr. Mike Colle:** Which government did it?

**Mr. Granville Anderson:** Which government did it?

**Mr. Mike Colle:** It was your government.

**The Chair (Mr. Peter Tabuns):** Gentlemen.

**Mrs. Marie-France Lalonde:** Twice, in 1998 and 2001.

**Mrs. Julia Munro:** I'm just saying—

**The Chair (Mr. Peter Tabuns):** Members.

**Mr. Jim McDonell:** The point is, there were 12 years to fix it and it hasn't—

**The Chair (Mr. Peter Tabuns):** Just a second.

*Interjections.*

**The Chair (Mr. Peter Tabuns):** Members, could we let Ms. Munro finish?

**Mrs. Julia Munro:** I just simply find it extremely unfortunate—

**The Chair (Mr. Peter Tabuns):** And one minute left.

**Mrs. Julia Munro:** —that after the efforts that have been made, and I think—

**Mr. Peter Thachuk:** Is there a way the parties can go back and address 236? I'm happy to sit down and speak with anyone, anytime.

**Mrs. Julia Munro:** Certainly, if you want to speak to me later, that would be fine.

**Mr. Jim McDonell:** I sat on the MPAC board of directors before getting elected here and that was a huge issue. I remember being part of the correspondence back to the government, pointing out that you, as a group, put your pension benefits in, but you're not getting your fair share. That's the issue. It was simply a matter of your getting your full benefits in the first pension and in the second pension. But when you split the years in two, you don't get the full benefits based on a formula that's really not meant to be split in two. For 30 years at MPAC, you're being treated—

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. McDonell. I'm afraid we've run out of time. Thank you very much for your presentation today.

**Mr. Peter Thachuk:** Thank you.

## XYZ AUTOMATION

**The Chair (Mr. Peter Tabuns):** Our next presenter: XYZ International, Alf Zeuner, president. As I'm sure you've heard, you have five minutes to present and nine minutes of questions. If you'd introduce yourself for Hansard.

**Mr. Alf Zeuner:** Hello. My name is Alf Zeuner and I'm the owner and president of XYZ Automation. We're based in Burlington, Ontario, just down the road. We are a medium-sized automated industrial machinery manufacturer and we've been in business for 25 years. There are approximately 120 employees, mostly highly skilled, and there are 75 of them here in Ontario in our headquarters and main manufacturing area in Burlington.

Thank you for giving me the opportunity to participate in the discussion about the proposed Ontario Retirement Pension Plan. Overall, I am in favour of the proposal and I agree with its intent and overall structure and direction. It makes sense for Ontario, it makes sense for employees and it makes sense for the business of XYZ. It is certainly an additional cost to operate our business, but I believe it's a reasonable cost given the benefit that it provides to our employees.

Improving the pension outcomes for XYZ employees is a concern of mine. XYZ employees are no different than the average, and about 70% or so have under-saved for retirement. All the reasons for this situation are well-documented in the materials that led to this government's decision to introduce this initiative. I won't use up the committee's time to restate them all here.



The concern I wish to bring up is a problem with the amount of CPP pensionable income many of our employees have accumulated. They immigrated to Canada in the 1990s and are approaching retirement age with well below the maximum pensionable earnings. The new ORPP is not going to help them much as they have only a short contribution opportunity left.

This is actually a crisis at XYZ. We have a number of employees where we have agreed to a 20/20 initiative that sees the employee contribute 20% of his income and that XYZ match it with another 20% to boost the retirement package at the retirement coming up. The idea is that at 40% contribution rates the package should reach about two years' earning in five years. Our plan is then to make a lump sum contribution to their RRSP or buy them an annuity so that they can supplement their income to something survivable.

As you can imagine, this is pretty dramatic and pretty expensive, but necessary given our circumstances. We accept that the actual contribution—we accept the actual cost of the contribution because it was us who undersaved. We're not asking anybody to solve that.

But there are other problems: complications with administering it, investing it, ensuring that it's secure and transparent. What would make a lot more sense to me would be simply to contribute it to the ORPP. XYZ and our employees are willing to pay. We would like ORPP to do what I expect it would do well, which is administer, invest, disburse securely and fairly and efficiently.

What I ask that the ORPP consider is adding flexibility to boost contributions significantly to assist making up not only shortfalls in the ORPP contribution but also CPP pension gaps. We have many people who have worked hard and contributed to XYZ and Ontario for 20 to 25 years. They should be entitled to a respectful retirement.

We accept that not enough has been saved and it's not up to anyone but ourselves to fix that, but I do ask that we have flexible access to the new ORPP system to help us out.

Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much. First question goes to the government. Madame Lalonde?

**Mrs. Marie-France Lalonde:** Well, thank you very much. I have to say, as a previous business owner to a business owner, it's nice and refreshing to see that you support the way we think about managing our employees and offering them the best chance possible of securing a retirement that will help our economy in the short, long and medium term.

I want to talk about—maybe I want to ask you: How might the ORPP—and I think you touched base, but I just want to understand—provide an advantage for your particular business?

**Mr. Alf Zeuner:** I think it can provide a significant advantage in that we have mostly reasonably highly skilled workers, so they're definitely in the middle-class group. Pensions are important to these people. They

don't think about pensions in their young life, nor do small companies when they start up think about their pensions. It's just sort of the reality. We go, go, go and we're immortal. It comes many years later. Then you look at it and say, "Oh, this isn't good."

1520

The reality of the situation is that there's no longer a mandatory retirement age. You cannot discriminate by age. So of course, if a person cannot afford to retire, they will not retire. Therefore, the ultimate result is that we end up providing good packages anyway, sometimes under threat of a lawyer or whatever. It's all very inefficient and it's all very frustrating, and it's not the right thing to do.

I think the right thing to do is to provide good pensions for employees. It makes happier employees. It makes us competitive to gain employees. The big problem we're seeing—actually, what I'm specifically after—is the immigrant employees, the people who started with us in the 1990s who are basically not facing a pension of \$1,100 a month but \$700 a month and \$600 a month, coming from jobs that pay \$70,000, \$80,000 a year. I think it would help us.

**Mrs. Marie-France Lalonde:** So far, today, we've heard a lot of comments regarding group RSPs and all of their additions.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** My concern has always been—and will always maintain—the volatility, how unknown the contribution and the outcome are. Having this type of investment, up to 1.9% from an employer and employee perspective, gives, I think, predictability in the long term in terms of income for that employee.

**Mr. Alf Zeuner:** Yes. I don't believe defined contribution pension plans—they make sense to me personally. Of course, I live in a world that has that benefit. It makes no sense to the vast majority of our employees. Defined benefit is the only way to go. As a medium-sized company, that's unaffordable.

**Mrs. Marie-France Lalonde:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much. To the official opposition: Ms. Munro.

**Mrs. Julia Munro:** Thank you very much for coming and providing us your perspective on this.

One of the things that you raised, just as you were finishing up, was about the defined benefit and the predictability and—the other side of the argument—the volatility. There seems to be an understanding that the person who's actually paying for it is the taxpayer on a defined benefit, whereas everybody else has got the vagaries of the market: low return on investment. That makes a difference to that defined contribution that you gave.

But I wanted to ask you about the government's introduction of the pooled registered pension plan. Are you familiar with that plan?

**Mr. Alf Zeuner:** We've looked at a number of different options and choices, and of course, unlike the CPP—

of course, my preferred option would be that the CPP would just be doubled and be done with it. It would be a lot easier. But it's complex from a business administration point of view. You've got to set it up. You've got to find agents or suppliers of it. It's also brutally expensive, which I also find—

**Mrs. Julia Munro:** Why do you say expensive?

**Mr. Alf Zeuner:** Well, because somebody has to manage those funds, and there are management fees to investing.

**Mrs. Julia Munro:** But the idea of the pooling creates the numbers of people to reduce the administration, unlike your RSP, which is a one-to-one kind of thing, so that the administration cost is significantly—

**Mr. Alf Zeuner:** It is less, definitely, in the—

**Mrs. Julia Munro:** And it's in the person's own name and it's portable.

**Mr. Alf Zeuner:** Again, it's difficult—we've had the discussions with different employees and we've had different people come in. It's difficult for the employees to understand—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Alf Zeuner:** —what's going on.

**Mrs. Julia Munro:** Oh, I agree with that. I appreciate you coming here and sharing with us your perspective on it, because you're right in the middle of the issue that we're trying to resolve. Thank you.

**The Chair (Mr. Peter Tabuns):** Okay. Thank you. Third party: Ms. French?

**Ms. Jennifer K. French:** Again, thank you very much for coming and presenting to us today. One of the things that you had mentioned earlier on—you know, acknowledging an additional cost to operate, but the benefit to employees has to be considered. But what is the benefit—by benefitting the employees or if they have a predictable income stream into their retirement, does that, then, in turn, benefit your particular business?

**Mr. Alf Zeuner:** I believe it would, yes, in our case. I can't speak for other businesses. Certainly we're primarily an exporter. The Canadian dollar goes up and down 20% in a year and we have to deal with that. This 2% isn't—businesses are good at what we're good at, which is being efficient, finding ways, being creative.

I see the benefit as primarily one of remuneration to the employees, to make them feel more secure, make them have a more even trajectory to retirement. We've got it better known—of their trajectory to their retirement.

**Ms. Jennifer K. French:** Well, I think we all can appreciate too that it isn't just about giving them a predictable income stream. Once they have that, then they have the ability to participate in the economy with some kind of predictability. It's not just that, "Oh, good. I know how much is coming in. I'm going to hoard it." They tend to spend and—

**Mr. Alf Zeuner:** Yes, and I can appreciate that personally as an Ontario citizen. But purely as a business owner, I look at it as: This is good for the employees.

They'll do a better job. It's more predictable. That's good for business.

**Ms. Jennifer K. French:** Something else that I would like to revisit: the short contribution opportunity for some of your employees—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** —and boosting that retirement package. Can I extrapolate that to, then, would you recommend to the government that they consider ways for people to perhaps pay in more? So there's—

**Mr. Alf Zeuner:** Exactly.

**Ms. Jennifer K. French:** —an amount that's pre-determined now, but to layer in an option for those who are closer to retirement to put more in?

**Mr. Alf Zeuner:** Yes. Right now, for instance, we have pools of money come in due to employees; again, how do I now distribute it to them after they've retired and stuff? Those are all complications that I don't need as a business. It would make a lot more sense just to say, "ORPP, you've got all the infrastructure. Here's the money. Boost up their credit and give them more."

**Ms. Jennifer K. French:** As my colleague had mentioned, these pooled plans—and when we're talking about the ORPP, the more money in the pool, the more it can grow and the more benefit, ultimately. So the more who can opt in and contribute—

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. French. Your time is up.

**Ms. Jennifer K. French:** Ah, sorry.

**The Chair (Mr. Peter Tabuns):** Thank you very much for your presentation today.

**Mr. Alf Zeuner:** Thank you.

## ONTARIO NONPROFIT NETWORK

**The Chair (Mr. Peter Tabuns):** The next presenter is the Ontario Nonprofit Network, Cathy Taylor. Ms. Taylor, as you probably heard: five minutes to speak, nine minutes of questions. If you'd introduce yourself for Hansard?

**Ms. Cathy Taylor:** Good afternoon. My name is Cathy Taylor. I'm the executive director of the Ontario Nonprofit Network. My colleague Liz Sutherland is our policy adviser on the pensions file. I'm here to speak to Bill 56, the Ontario Retirement Pension Plan Act. I thank you for the opportunity to comment.

The retirement income security of non-profit workers is a priority for our organization and we are pleased to see the government address this pension reform. Our organization is the provincial network for 55,000 non-profit organizations in Ontario. About half of these organizations—so over 25,000—have paid staff, which is over a million employees in Ontario that are specific to the non-profit sector. Our sector also contributes \$50 billion to Ontario's economy.

Our mandate is to support a strong and resilient non-profit sector. We are troubled by the rise of precarious and low-wage work in Ontario. Our sector is no excep-



tion to this. Many of our sector's workers have no workplace pension plan. After a lifetime of serving the public good, more and more of them will have to delay retirement or face a significant drop in income as senior citizens.

The ORPP will help to address this challenge. We have four recommendations, however, when it comes to the ORPP.

First of all, we do support the introduction of the ORPP, but the design and implementation of the plan must take into account the needs of the community non-profit sector in Ontario.

There are significant gaps in labour market information on the Ontario non-profit sector, especially with respect to workplace pension plans. However, what we do know about the sector and its labour force must be reflected in the design. About half of our workers are short-term, casual and part-time contracts. We also have many small to medium-sized organizations that generally cannot afford to offer pensions or benefits. The only data we have available currently indicates that Canada-wide, only 30% of non-profit organizations offer any kind of comparable pension plan.

The question of exemptions and the definition of a comparable pension plan will be an issue for organizations in our sector.

Our second point is that low-income workers should receive assistance with the cost of premiums through targeted refundable tax credits or other tax measures.

1530

Furthermore, when they retire, low-income persons who have contributed to the plan during their working lives should benefit materially from that plan instead of seeing their guaranteed income supplement clawed back as a result of the ORPP.

Third, we need to place the implementation of the ORPP in the context of the funding relationship between the government and the community non-profit sector. Staffing is the largest cost for non-profits with paid employees. Our budgets simply cannot absorb an increase in ORPP-related staff costs after several years of funding freezes.

For those organizations that do receive provincial funding—which is not all non-profits, but many—at a minimum, the transfer payment agreements through which the sector delivers services on behalf of government must reflect the increased cost of doing business. Otherwise, the non-profit sector will be left in a bind, possibly having to reduce staffing to cover the increased cost of the ORPP, which is an unanticipated outcome that I know none of us want to see.

We also urge the government to consider pension reform in the context of much-needed funding reform for the non-profit sector. The precarity of many jobs in our sector is directly related to our funding environment, especially the reliance on short-term, project-based funding.

ORPP premiums will add to the many factors forcing non-profits to meet their community's growing needs

with fewer resources. We would like to work with the Ontario government to address the need for negotiated contracts that take into account the full cost of doing business while providing decent jobs.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Cathy Taylor:** Fourth and finally, we are asking the Ontario government to establish a joint task force with the non-profit sector to address the ORPP issues in this sector and to explore broader workplace pension opportunities. The ORPP will replace about 15% of a worker's pre-retirement income at a level that, even when combined with CPP and OAS, could still leave a significant gap for modest-income workers.

ONN has proposed that the Ministry of Finance establish a joint task force to address ORPP issues as well as to explore the viability of establishing a pension plan for the sector. Such a plan would help the sector compete for talent in the wake of a looming demographic shift that will see many non-profit leaders retire in the next few years.

To sum up, we are pleased to support Bill 56. We look forward to discussions on how the ORPP will be implemented in the non-profit sector and how we can work together to enable non-profits to offer high-quality jobs with living wages, benefits and pensions in a way that we also find financially sustainable.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Taylor. First questions go to the opposition: Mrs. Martow.

**Mrs. Gila Martow:** Thank you so much for coming in. As the member from Thornhill, I can tell you that I sometimes think that Thornhill has the highest concentration in the province of non-profits. People are incredibly passionate about what they're doing, and we need them. I think it would be a horrific unintended consequence if we saw non-profits shutting down. They have the smallest leeway in terms of salaries. They can't cut down on their profits because there is no profit. The only thing that they could do is let go of valuable people and possibly just shut down completely.

I think that when I meet with some of the local non-profits, things like managing group homes or programs for special needs, when they read in the newspaper about things like the cost overruns with the Pan Am Games or things like that that they feel are sort of the cherry on top of the whipped cream on top of the ice cream—just layers and layers of nice things to have—it frightens them.

What I would want to know from you is what the government has told you in terms of saying, "Don't worry. We're going to pick up the slack. We're going to cover the employees' contributions, because we can't expect people on such low wages to pay into a pension plan, and we're going to cover the employer contributions." What are they saying to you about all that?

**Ms. Cathy Taylor:** We've had no commitment to date of that agreement yet. I think it's still early stages as to the regulations and the implementation of how ORPP

is going to roll out. We'd certainly like to see that as part of a commitment going forward.

**Mrs. Gila Martow:** Because it's either going to come out of the services—

**Ms. Cathy Taylor:** Or the direct service—

**Mrs. Gila Martow:** Yes. There are no profits to take the money out—

**Ms. Cathy Taylor:** Yes.

**Mrs. Gila Martow:** Thank you so much. Any comments?

**Mr. Jim McDonell:** Yes. We met with a number of groups in my riding this summer, somewhere around 15 to 20 not-for-profits, and all of them talked about not receiving any increases in more than five years—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Jim McDonell:** —and laying off staff as their expenses went up. How would you see coming up with another 1.9% of expense when you haven't received anything, really, even to cover your hydro increases?

**Ms. Cathy Taylor:** It's a great question. I would say that it would be pretty hard to run a fundraising campaign to raise 1.9% for pension contributions in a community.

Organizations are very creative; as you know, the last thing they would want to do is cut services to the people that they serve. So when organizations in this sector are faced with that dilemma, they will cut office supplies, they will cut as much of the extraneous that they can think of. But they will cut staffing before they cut services, which also means that they're not providing good services always if they're cutting the supports to it. So it would for sure be a difficult situation for us to be in.

**The Chair (Mr. Peter Tabuns):** Thank you. We'll go to the third party. Ms. French?

**Ms. Jennifer K. French:** Thank you very much for coming, and thank you for all the work that you do in our communities.

I wanted to ask you—as you said in your submission here, “approximately half of the workers in this sector are on short-term, casual and/or part-time contracts.” We heard a number earlier, that about “83% of households” in Ontario “are on track to maintain or exceed their level of consumption in retirement.” So I would ask you, of the community that you serve and the community that you are here representing, what percentage would you guess are on track for savings and maintaining or exceeding their current—

**Ms. Cathy Taylor:** Unfortunately, we would have no idea how to answer that because we just don't have the labour market information we need for the sector—which is one of our requests, that we would like to have more labour market information for the non-profit sector. We don't have that level of knowledge. It's an excellent question.

**Ms. Jennifer K. French:** Okay. I did see in here, though, that—how many of your workers actually contribute to a pension plan, as it stands now?

**Ms. Cathy Taylor:** The information we have is that about 30% of organizations that are small, so less than 10

employees, have access to a pension plan or equivalent, and about 65% of large organizations would have access to a pension plan or equivalent.

**Ms. Jennifer K. French:** And those pension plans—as the government is talking about comparability, and we're going to be hearing about people's ideas on comparability, where do you stand on comparability? Should we be looking at the comparability of the plan, or should we be looking at the comparability of the individual situation? So, for example, those who are contributing to a plan that might otherwise be comparable, if they're in precarious or low-wage situations, is it going to be enough to sustain them in their retirement?

**Ms. Cathy Taylor:** I think that's one of the really tricky things about the legislation, that issue of comparability. In this sector, to be honest, we don't have consensus on the answer to that. There are some organizations that are large, that have excellent pension plans, that want to be exempt and would have a comparable or better-than-comparable plan. There are others in the sector that have nothing, and so would like to see the ORPP be mandatory and covered by all employees. It's really a different opinion amongst organizations, so we haven't taken a strong position one way or the other at this point.

**Ms. Jennifer K. French:** So your members who might be part of a strong plan, are they all going to be earning enough benefit—are they all earning comparable benefit to each other?

**Ms. Cathy Taylor:** That's an excellent question. Again, we have sort of percentages of how many have a plan, but we don't know enough about what specific assets their plan might have to be able to answer that.

**The Chair (Mr. Peter Tabuns):** Thank you. On to the government: Madame Lalonde?

**Mrs. Marie-France Lalonde:** Thank you very much for being here. It's very nice. Certainly, thank you for all the work you do in our communities—and I speak on behalf of everyone in the House.

I guess what I'm trying to understand from your conversation, and from all of us raising our questions, is that we do have some not-for-profits that have nothing and some that have some kind of a plan. Is it fair for me, when you look at what we're planning on proposing when it comes to the ORPP, saying the predictability of that secure income versus—you may think you have a great plan, but sometimes that plan may be provided as a lump sum upon retirement, or that employee has the choice to remove it. That, ultimately, jeopardizes what we're trying to do, which is to bring that fairness in terms of income when you decide to retire. What would you say about that?

**Ms. Cathy Taylor:** That's an excellent point. I think, absolutely, we would agree that the predictability, the portability, the ease of administration of having a centralized plan would be much preferable for many organizations in the sector, especially the ones with less than 50 employees—there's no doubt—which is the bulk of the non-profit sector. It's really a small percentage that have more. So the bulk of the sector would benefit from



ensuring—especially with part-time workers and contract workers—that portability, if they go from job to job, that they don't lose one pension plan or not be eligible because they haven't had enough hours or enough amount of time. We would agree that that consistency would be much needed and much preferred in the sector.

1540

**Mrs. Marie-France Lalonde:** Okay. I'm going to open a can, maybe, but I just wanted to know: Did you have a chance to have consultations with—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** —either ministry staff or the Associate Minister of Finance regarding your concerns with the ORPP?

**Ms. Cathy Taylor:** Absolutely. In fact, Minister Hunter has met with us twice. She had a round table of non-profits and charities, specifically. We had a further meeting to address some of these issues. I know there is a serious concern especially around low income and the effect that the ORPP will have on low income. So we're hopeful that our concerns will be heard.

**Mrs. Marie-France Lalonde:** Great. Thank you for joining us again.

**Ms. Cathy Taylor:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much, Ms. Taylor.

#### UNITED STEELWORKERS

**The Chair (Mr. Peter Tabuns):** Our next presenter is United Steelworkers, Alex McKinnon and Troy Lundblad. Good day, gentlemen. I think you've heard the routine: five minutes to speak, nine minutes of questions. I warn you regularly that your time is running out. If you'd introduce yourself for Hansard.

**Mr. Troy Lundblad:** Perfect. Thank you. Hello, my name is Troy Lundblad. I'm a staff representative with the United Steelworkers Canadian national office. I'm accompanied by Alex McKinnon, the director of research, bargaining support and public policy with the Steelworkers. I'd like to thank the Chair and the Standing Committee on Social Policy for inviting us to provide comments on Bill 56.

The Steelworkers generally agree with the assessment contained in the 2014 Ontario budget: that the retirement income crisis in Ontario is real and significant and requires urgent action.

We also agree with the government's position on improving the Canada Pension Plan. CPP expansion remains the best approach to ensure improved retirement security for all Canadians. Faced with federal government intransigence on CPP expansion, the USW is encouraged by efforts to implement a made-in-Ontario pension to supplement the CPP.

That said, we also have serious concerns. In particular, the USW fears that proposals to exclude members of "comparable" pension plans from the ORPP will be harmful to workers and undermine the goal of folding the ORPP into the Canada Pension Plan in the future.

For purposes of ORPP participation, Bill 56 defines an "eligible employee" as an employee who "does not participate in a comparable workplace pension plan," but is silent on what is a "comparable" pension plan. Under the government's preferred approach, described in their December 2014 consultation plan, "comparable" plans are defined as defined benefit and target benefit multi-employer pension plans.

On the one hand, the USW concurs with the government's assessment in their consultation paper, which argues that defined contribution plans, PRPPs, and group RRSPs do not provide benefits comparable to the Ontario Retirement Pension Plan. However, the USW has concerns with plans to exclude workers with defined benefit and target benefit plans from the ORPP.

First, not all members of DB and multi-employer plans are receiving or will receive adequate benefits in retirement. For instance, nursing home workers, personal support workers, hotel and food services workers, and security guards may have employer-sponsored pensions, but they often receive extremely modest pension payments under such plans due to low wages, low employer contributions and precarious employment.

Second, even defined benefit plans are not without risk. Even with the safety net provided by the Ontario Pension Benefits Guarantee Fund, there have been recent instances where active and retired employees have lost 25% to 30% of their pension benefits during plant closures and employer bankruptcies.

Moreover, few private pension plans provide the inflation protection that public plans such as the CPP are able to provide. We cannot stress enough the importance of universal coverage and mandatory participation in the design of a public pension plan.

Restricting the range of workplaces participating in the ORPP will also affect the portability of the plan benefits. Portability is one of the most attractive features of the CPP. Portability is doubly important given the precarity of labour market conditions currently. Workers entering the labour force today are more likely to hold multiple jobs, to work part time or under contract and to move jobs than they were in previous decades.

By including all workers and workplaces, the rules and requirements with regard to enrolment, eligibility and contributions would be readily understandable to both employers and employees.

Moreover, the exclusion of comparable plans is inconsistent with the CPP design. To permit exclusions in the design of the ORPP is certain to complicate the ultimate goal of folding the pension plan into an enhanced CPP.

Exclusions may also lead to market distortions. Employers currently offering generous DC or group RRSPs will be put at a competitive disadvantage with respect to their competitors offering defined benefit plans. Likewise, workers with DC plans will experience a decrease in current consumption income, whereas workers with DB plans will not. In our view, universal coverage will have the least disruptive effect on labour markets.

Finally, universal coverage will maintain the ORPP's legitimacy—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Troy Lundblad:** —as a program benefitting all Ontarians, rather than a targeted benefit for a subsection of the population. Studies show that universal public services are much more resilient in times of welfare state retrenchment than targeted plans or targeted programs.

Before concluding, we have one other concern. Bill 56 states that legislation “shall provide transition rules concerning the phasing in of contribution rates.” The government has suggested in its communications that the 1.9% contribution rate may be phased in, possibly with large employers first. The USW contends that this will lead to market distortions which will adversely impact our members.

For instance, the security guard sector is characterized by low barriers to entry, several large unionized employers and many small competitors. Here, the phasing in of contributions would adversely impact our members' workplaces first, and impact the ability of these employers to compete for contracts in a competitive market. Other for-contract services such as—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that your time is up. I'm going to have to transfer you to questions.

**Mr. Troy Lundblad:** No problem.

**The Chair (Mr. Peter Tabuns):** Ms. French. Third party.

**Ms. Jennifer K. French:** Thank you very much. I'd like to welcome you here and thank you very much for joining us. Just on your last point, on phasing it in—if you could further expand on that?

**Mr. Troy Lundblad:** Yes, sure. I attended the consultations in Woodstock, Ontario, with the minister, and I was thankful to her for attending, but she hinted that the contributions might be phased in for larger employers first. I assume that the intention is that smaller mom-and-pop shops—the assumption might be that they're less able to handle these increased contributions. But in certain sectors, it will actually distort the competitive dynamics in the market, namely security guards.

We've dealt with this issue already. The larger security guard companies are typically unionized, typically provide better benefits and typically have higher labour costs per worker. If the contributions are phased in for those larger employers first, it will adversely affect them and adversely impact our members, because the employer will be unable to compete.

**Ms. Jennifer K. French:** Thank you. Something else that you had mentioned: You mentioned portability as one example, but can you think of other examples of ways that, if this is not a universal plan and plans are going to be exempted, this creates a challenge with merging it, for lack of a better word, with the CPP or integrating it with the CPP? Because you had said that you were concerned that it would undermine that as the ultimate goal.

**Mr. Troy Lundblad:** Yes. I mean, I've had some conversations with actuaries. Though I don't understand their technical expertise, they don't quite understand how the government can assume that this is something that can be rolled into a pension plan that existed for 30 years and that has had a buildup of the technical capacity to manage such a plan.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Troy Lundblad:** The fear is that, if it's in any way different, it would be entirely impossible—or not impossible, but much more difficult—to merge that plan into the CPP.

**Ms. Jennifer K. French:** As you had mentioned, as well, it being a supplement to the CPP—but we ultimately don't want to undermine the goal of CPP enhancement. We don't know what's coming.

**Mr. Troy Lundblad:** Exactly.

**Ms. Jennifer K. French:** But portability and—any other logistical concerns?

**Mr. Troy Lundblad:** Yes. The labour market for younger workers, for this generation of workers, is much more precarious. They'll be jumping in and out of a pension plan if it's not completely portable. What we don't want is a situation where workers are in the public plan for five years, then out for two, then maybe back in, because certain employers have different types of plans that they're offering. It should be just universal in our opinion.

**The Chair (Mr. Peter Tabuns):** Thank you.

**Ms. Jennifer K. French:** Even—

**The Chair (Mr. Peter Tabuns):** I'm sorry, Ms. French. Out of time. We're going to the government. Madame Lalonde?

**Mrs. Marie-France Lalonde:** Thank you very much for being here. When I think about our plan and what we're doing right now, I think we're creating a framework as to how this plan will be rolled out in January 2017, possibly.

**1550**

Again, I'm just going to stress to you that our ultimate goal is a CPP enhancement, and that's always been something that we wanted to do. I know you referred to actuaries. It's interesting, because I had the great pleasure of meeting a gentleman who was part of the CPP process when it was first established in Canada. He happens to live in my riding. He was quite satisfied, with all due reserve, because it's still in a framework process. It's interesting to know that our goal is to have a mirror image—so that flexibility of our plan, if down the road, for that merger.

So certainly, this is something that we are listening to and we certainly hear what you're saying. If I was to maybe ask you to talk a little bit about your members—do your retired members benefit from a current defined benefit plan at the moment?

**Mr. Alex McKinnon:** I'll answer that. With 70,000 members in Ontario, we have a multitude—we've got 1,800 different employers across the country, so we have



a whole range of no pensions to modest pensions to DC to defined benefit, and we try to negotiate the defined benefit where we can. We also have a lot of members who are in multi-employer plans as well.

**Mrs. Marie-France Lalonde:** Okay.

**Mr. Alex McKinnon:** So it's sort of all over the map.

**Mrs. Marie-France Lalonde:** Yes, and I've worked in the health care industry—you know, PSWs and nurses—and, like you said, they'll change jobs. So what are the—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** So what are the elements of this kind of plan that are beneficial but also a deterrent for your members?

**Mr. Alex McKinnon:** I think it's beneficial. I think the key thing that we've always got to remember here is that we're building retirement security, and so this goes towards that. The more universal it is, the more people it applies to, the better off everybody will be.

**Mrs. Marie-France Lalonde:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. To the opposition: Ms. Martow.

**Mrs. Gila Martow:** Thank you so much for coming. I just want to address the fact that you said that you're concerned with the decrease in competitiveness by phasing in larger employers first. What I thought is, it's a global economy, and with higher electricity costs in the province and now trying to bring in a pension plan, which they might not have something comparable in other provinces or states, are you concerned with the decreased competitiveness of Ontario versus at least the rest of North America, and possibly the world, for some of your members if they bring in this plan?

**Mr. Alex McKinnon:** No. I think that the same argument was said about CPP when CPP was brought in, and I don't see paying 1.9% as decreasing the effectiveness. I don't see that.

**Mrs. Gila Martow:** But you see it as decreasing the competitiveness between your different employee groups?

**Mr. Alex McKinnon:** Well, yes, because one will pay 1.9% and another won't, so in fact, if everybody is equal, then it's not a problem.

**Mrs. Gila Martow:** Well, but your employers would be paying 1.9% and in other provinces and certain states, a similar employer wouldn't.

**Mr. Troy Lundblad:** Well, I would say that security guards aren't being shipped from Ontario to Manitoba, so—

**Mrs. Gila Martow:** Well, for the Pan Am Games, we hired an American company, so I have to disagree. But no, I'm glad that you feel that you're not worried about a lack of competitiveness. I'm glad to hear that.

Anybody else?

**Mrs. Julia Munro:** Yes. Thank you. There have been several speakers who have referred to a mirror image to CPP. In the budget of this government last spring, in 2014, this appears in the budget: "Encouraging more

Ontarians to save through a proposed new Ontario Retirement Pension Plan, new pools of capital would be available for Ontario-based projects such as building roads, bridges and new transit." That seems to be the motive of this government's proposal.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Julia Munro:** I just wondered, given that it's for Ontario, if you would comment on that in terms of mirror image.

**Mr. Troy Lundblad:** Well, I think the CPP Investment Board, which is an independent body that has a mandate to maximize returns with a minimal amount of risk, makes—I mean, it's well known for its large infrastructural investments that it makes, and those investments are actually quite profitable. So I would say that if Ontario's plan is to have a governance structure where the investment board is independent and arm's length from government, with minimal intervention and hopefully zero intervention from the government, those types of investments could be quite profitable.

**Mrs. Julia Munro:** But this specifically says "Ontario-based projects." CPP goes around the world. It's there for the—

**The Chair (Mr. Peter Tabuns):** Ms. Munro, you're out of time, I'm afraid.

Thank you very much for your presentation.

#### CANADIAN CENTRE FOR POLICY ALTERNATIVES

**The Chair (Mr. Peter Tabuns):** We'll go on to the next presenters: Canadian Centre for Policy Alternatives; Sheila Block. Ms. Block, I'm sure you've heard all the parameters: five minutes; nine minutes of questions. Please proceed.

**Ms. Sheila Block:** I'm aiming for four, but let me know.

I want to thank you very much for the opportunity to speak about this important piece of legislation. Bill 56 is really forward-looking legislation that modernizes the pension system for the next generation of workers.

That generation of workers is entering a very different labour market than my generation and many of ours around the table here. They are facing obstacles in saving for retirement that my generation didn't: higher student debt, higher housing prices, a longer transition into full-time work, and much less likely have a workplace pension plan than we were.

We know that private savings are not a solution to these obstacles. People aren't saving enough on their own, and the fees to financial institutions take a very big bite out of the retirement incomes of those who can afford to save privately.

This next generation of workers really deserves an expansion of a pension plan that will provide them with a secure pension that will last through their retirement and will do so in a low-cost and efficient manner. What we know from experience is that public pensions can do that.

We know that from our experience with the CPP. They can deliver benefits at low cost because they spread the investment risk and longevity risk across the whole working population.

Public pension plans also reflect the labour market of the future, where people are less likely to remain with one employer and are likely to change their jobs a number of times. They can provide a benefit that will follow you from job to job and provide you with benefits whether you're working full-time, whether you're working part-time, whether you have multiple jobs or whether, potentially, you're self-employed.

To fully reap the benefits and the potential of this expanded plan, we need to get the design right. First, it needs to be mandatory. We have to understand that the vast majority of our pension comes from interest earned on our contributions rather than those contributions themselves. The earlier you start saving for retirement, the better, but when you are starting out and you're paying off your student loans or you're trying to pay for your daycare costs, or maybe even trying to buy a house in this market, your priority won't be retirement savings. We economists call that a high discount rate. By the time we're in our thirties and forties, when our attention is more focused on retirement and it's closer, it is really too late to save for a good retirement. We need to have a plan that doesn't provide that kind of choice but really provides people instead with security.

Second, it has to be a universal plan. With a universal plan you reduce the administrative costs and you spread the risk over the widest population possible, which will both increase investment returns and decrease costs.

It's also important for individual plan members. If you are a member of a workplace pension plan at any particular point in time, no matter how good that plan is it doesn't provide for retirement security, because if you change jobs, you're most likely to transfer your assets into an RSP, and we know that those are not an adequate vehicle for retirement.

There's also an argument that a universal plan will harm low-income workers, but we really shouldn't penalize low-income workers by preventing them from participating in a plan that will increase their incomes in retirement.

There are many other labour market policies that can address working poverty, and there are fixes to the retirement systems, ranging from a redesign of the GIS to a refundable tax credit to address those concerns.

I really urge the committee members to support the bill and propose amendments that will enhance it, to increase the retirement security for our next generation of workers. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. Our first question goes to the government. Mr. Delaney.

1600

**Mr. Bob Delaney:** Thank you. You were actually on a very interesting line that I'd like to continue on. If you're of retirement age now, and especially if you have a defined benefit pension into which you and perhaps one

or several employers contributed, you would know what a difference that retirement security makes compared to what you remember when you were growing up and you remember that retirement meant a nearly universal descent into poverty. Given that, and what you said in your presentation, would you comment on the risk to Ontarians in the early to middle stages of their career today, of doing nothing to change retirement savings?

**Ms. Sheila Block:** I think the risk is really for returning to that period that you described, where you have poverty in retirement. When we look at the saving rates by age, in RSPs, and when we look at pension plan participation rates by age, we really see that those younger workers have lower participation rates and lower saving rates. The data also show us that RSPs actually accompany households that have pension plans, rather than being a replacement for them. So I do think we would be returning to those days, or have a danger of that.

**Mr. Bob Delaney:** Compared to the alternatives available right now, how does the ORPP stack up, in your opinion?

**Ms. Sheila Block:** The ORPP has a number of really important attributes, one of which I think some of your prior people have suggested: its portability. It can move with you to different jobs. Also, the larger the plan is, really, the better the investment returns you can have, the lower the administrative costs, because you're spreading it over a wider population, and the more comprehensive it is. So that's on one side.

On the other side, having a secure benefit is enormously important to retirees.

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Bob Delaney:** Okay, thank you. Madame Lalonde, I think, has one question to finish this off.

**Mrs. Marie-France Lalonde:** We talked a lot about many things, but one thing that I wanted to ask is: What do you think the social and economic costs of not implementing the ORPP would be?

**Ms. Sheila Block:** I think the social cost is really about a generation moving into retirement that will be impoverished. I also think that if you don't pay one way, you pay another way. It will increase the pressure, as many have pointed out, on those plans that are funded by tax revenues and that are income-sensitive. So really, it's just a prudent way of saving. Some things we do better on our own; some things are better together. Really, saving for retirement is best together.

**The Chair (Mr. Peter Tabuns):** Thank you. I'm afraid we have to go to the next questioner. Ms. Martow?

**Mrs. Gila Martow:** Thank you very much for coming in. What I'm hearing from some stakeholders is that this is less about the government being concerned about people not saving enough for their retirement and, as you said, being in poverty when they retire, and it's more about giving the government a vehicle to borrow money to invest in infrastructure, which would not be a great return on the investment for people who were actually looking to have a universal plan where the money was invested—let's put it this way, with the best return.



Do you have any concerns about how this money is going to be invested and that the money would be invested for the people with the best return on their investment so they actually could retire comfortably?

**Ms. Sheila Block:** I think there are a couple of things that are important. First of all, in all the documentation that I've seen, and I think in the legislation, the proposal is for an arm's-length agency. So I'm not sure where that concern is. I think a number of pension plans with excellent returns invest in infrastructure projects. I think what's really important: When you're looking at returns on investment, you have to look at what the alternatives are, and we absolutely know that the returns for such a large group plan would be much, much higher than any returns in individual RSPs.

**Mrs. Gila Martow:** I'll pass it to my colleagues, but my understanding is that, even if it's an arm's-length agency, it doesn't mean that the government can't make its plea to borrow the money. I just feel that that's not really a true arm's-length agency if the government that's implementing the plan is already talking to some stakeholders about how it's going to use the money.

**The Chair (Mr. Peter Tabuns):** You have a minute left. Mr. McDonnell?

**Mr. Jim McDonnell:** I think the government is very clear that they're looking to use this money for infrastructure. They have the ability to borrow money at very low rates, so if they're going to use this, one would have to expect that they aren't going to pay higher rates than you might get elsewhere.

You also look at studies that have been done over just the last number of years talking about where this government is going with its debt and its ability to pay back these debts in the future. There has got to be some concern about the reliability of this money. If a good percentage of it is going to a corporation—the government, as such—that may not be able to pay it back certainly any more than what they could borrow on the market—which is quite low today, because they can't borrow money at those places because they're concerned.

**Ms. Sheila Block:** We're moving a little bit further away from pension issues. My understanding is, pension legislation provides some pretty strong protections for funds in pension plans—

**Mr. Jim McDonnell:** It does, except that this government has been very clear they are going to take money from it for their own projects.

**Ms. Sheila Block:** Yes. So I'm wondering if your concern about the Ontario finances would extend to—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that you're out of time.

We'll go to Ms. French, the third party.

**Ms. Jennifer K. French:** Thank you. I appreciate your being here. One of the things that you had mentioned that the situation that many youngers workers find themselves in now is not stable jobs—it's job to job to job, and they might have the fortune or misfortune of having six or 10 different jobs in their working lives: I would ask you, then, with that being the reality for many,

what would be—not even specific administrative costs, but what would that look like, tracking an individual from a job to a job with comparable plans and some being exempt, some not, that if there's a—

*Interruption.*

**Ms. Jennifer K. French:** Whoops. Anyway.

**Ms. Sheila Block:** I think there would be reduced costs and ease of administration if it was universal. As other speakers have said, the more we parallel the CPP, the more familiar employers are with it and the easier it is for administration, both for the plan itself and for employers as well.

**Ms. Jennifer K. French:** So not just the logistics of keeping track of an individual through their multiple careers, but also the financial costs, as well, associated.

**Ms. Sheila Block:** Absolutely; yes.

**Ms. Jennifer K. French:** Another question I had for you: Is there—and I know the answer, but whatever—a typical low-income worker? If we're going to be talking about the potential of excluding people, is a low-income worker only someone who is—anyway.

**Ms. Sheila Block:** We have the work that I think the Ministry of Finance has done that really explained to us that if you're low-income at any particular point in time, it doesn't necessarily mean that you're going to be low-income throughout your working life. For example, many of us start as low-income and really appreciate the fact that our CPP benefits actually encompass that period.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Sheila Block:** I really think that we have to step back when we're thinking about low-income workers and say, "What are the other labour market policies that are available to actually improve labour market incomes rather than denying access to participating in a plan?"

**Ms. Jennifer K. French:** If I can do this quickly, you mentioned the next generation of workers, but a question I had asked earlier about current workers who might be approaching retirement—would you have thoughts on how to better prepare them for that retirement using the ORPP, if they could pay in more kind of thing?

**Ms. Sheila Block:** I think there are limitations on the ORPP for doing that, and that's really why you have to act—pension plans have very long timelines, and you really have to act with an eye to the future. I think this is really about the next generation of workers.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Block.

**Ms. Sheila Block:** Thanks.

**The Chair (Mr. Peter Tabuns):** We appreciate the presentation.

## OPSEU PENSION TRUST

**The Chair (Mr. Peter Tabuns):** Our next presenter: OPSEU Pension Trust; Mr. Hugh O'Reilly.

Mr. O'Reilly, I think you know what you have: five minutes to speak; nine minutes of questions. I'll harass you about a minute before your time is up in each case.

**Mr. Hugh O'Reilly:** Okay. Thank you, Mr. Tabuns. I asked the Clerk to circulate a fact sheet about our pension plan.

OPTrust is a jointly sponsored defined benefit plan with over 84,000 members and \$16 billion in assets. Our plan members are primarily front-line workers for the government of Ontario, its agencies, boards and commissions.

Our plan is fully funded with a comfortable surplus, and, since we began operating, our investment portfolio has realized an average annual return of 8.3%. We also receive high service satisfaction scores from our members and operate very efficiently. We're able to generate these results at a cost of only 53 basis points, which is far below the average retail savings vehicle.

1610

Today I'm here to share my views on the Ontario Retirement Pension Plan with the committee.

I support an ORPP that is both defined benefit and mandatory for those without comparable workplace pensions. If we are serious about delivering security and dignity in retirement for more people, they need to know that they can count on a predictable and reliable stream of income for as long as they live. Only a defined benefit plan can do this. There is also ample evidence that voluntary programs are not particularly effective at getting people to save. Ontarians have thousands of dollars, on an individual basis, of unused contribution room in RRSPs and other savings vehicles. Despite having the opportunity to save, Ontarians are not taking advantage of it.

Tackling undersaving in a meaningful way requires a mandatory program. However, in doing so, we need to ensure that the ORPP works in concert with existing low-income support programs such as GIS and GAINS. The end result must be an improvement in retirement income, particularly for the poor, not a reshuffling of income sources. And for those who choose to work in retirement, we need to find ways to avoid penalizing them with clawbacks.

As the ORPP is implemented, there are a number of ways to make it more cost-effective for the taxpayers of our province. For administration, a highly effective and tested system already exists for the CPP—a system, I might add, that Ontarians have already paid for. The wheel should not be reinvented. My view is that Ontario should, for a fee, be given access to and permitted to make use of the existing CPP administration platform.

I also believe that the ORPP does not need to have a bricks-and-mortar structure. There are ways to design it to be more virtual, as it draws upon the expertise that already exists in Ontario, especially in pension plans like OPTrust. An investment organization need not be established for the ORPP. This cost can be avoided through the use of the investment expertise of Ontario's public sector jointly sponsored defined benefit pension plans. Ontario's large JSPPs, including OPTrust, are global leaders at what they do, both as investors and pension administrators.

The Economist has called Canadian pension plans, and Ontario plans in particular, "maple revolutionaries." Pension plans around the world look to our model as an example of how to get pensions right. Toronto is referred to as the Silicon Valley of the pension world. Our pension plans are incredibly efficient and we're good at what we do.

As we work to strengthen our retirement income system, I encourage the province to draw on the wealth of expertise it has in its own backyard.

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Hugh O'Reilly:** Thank you, and I look forward to your questions.

**The Chair (Mr. Peter Tabuns):** Excellent. Okay, the first question is to the official opposition.

**Mrs. Julia Munro:** Thank you very much. I appreciate your comments here because, quite frankly, there are many with which I agree.

There are a couple of issues that, for this bill, create some problems. One of them is the question of "comparable." Without a definition, without having that security in knowing what it is, people are hesitant. We've heard from people this afternoon who express that hesitancy and, "What happens if...?" "What happens if my pension is better than 1.9%?" "What happens when I move?" "What happens when..." etc. We also know that a fully mature pension is about 40 years, so who's paying when? There's a constant line of questions that come out of that issue of comparability.

The other one is mandatory: "Thou shalt." When I've asked people who have participated in the discussions, they don't get answers on those kinds of questions.

But the singular thing that I want you to comment on, and what is different between what you have and are able to do and what is proposed here, is in the last line of your document: The joint sponsorship also means that OPTrust membership and the province share equally in the plan's financial risks and rewards. We the taxpayers are the payors, then, of the financial risks, ultimately, and I think that's the key difference. When we listen to people in the private sector who are looking at job losses, cutting hours, things like that, to come up with—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Julia Munro:** What's your answer?

**Mr. Hugh O'Reilly:** I'm not entirely sure on your question, Ms. Munro, but I'm going to do my best—and I meant that respectfully; it wasn't meant as a catty remark.

My view is that the governance of the plan can be set up in a way where it operates around the 3.8%; that there could be protections put in place requiring legislative approval. If there are going to be increases in contribution levels, those safeguards could be looked at.

I also think that if the plan is managed in the way the public sector pension plans, which are incredibly successful, are managed, we can move forward and pay and make sure people receive the benefits that they're promised.



In terms of a comparable plan, I would say two things. If you have a defined benefit plan, I think that's the definition of comparable. However, if you do offer a group RSP or a DC plan, if you currently put in, say, 3% on each side, then instead of putting 3% on each side to that, it would be 1.9% and 1.9% into the ORPP.

Those would be my thoughts. I'm hopeful I answered your question.

**Mrs. Julia Munro:** Thank you.

**The Chair (Mr. Peter Tabuns):** Ms. French.

**Ms. Jennifer K. French:** Again, thank you for coming and presenting to us today.

I had a question, just looking at your "At a glance." Can you tell us how many people are part of this plan?

**Mr. Hugh O'Reilly:** There are 84,000 members and retirees in our pension plan and 22 participating employers. The bulk of our employees are the unionized OPSEU members of the public service.

**Ms. Jennifer K. French:** You had talked about predictability and that you'd like to see this be mandatory for those with a comparable plan. Of those 84,000 members, I'm just wondering if all of their benefits are comparable. Are there people who are paying into this plan now who might be part-time workers or only paying in for a short period of time and their benefits upon retirement might be insufficient to sustain them in that retirement?

**Mr. Hugh O'Reilly:** There are part-time members of our plan. There would be very few of them who would stay part-time or casual through a career. I would say, on balance, that the amount of money they put into our plan and the benefits it generates would allow them to retire in dignity based upon their final earnings.

I think there's a lot of complexity that arises if our members are forced into the ORPP. If you had someone close to hitting their numbers in early retirement or their full retirement, those people may have issues, because of their longer service. So we'd be concerned about those people.

We also think it's important to aim this policy somewhat strategically at those who need assistance with their retirement.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** Okay.

The words "forced into": What if there was an opportunity for them to voluntarily—and I'm not saying not make the plan mandatory, but if there was an additional, voluntary layer; that part-time employees would have the option to use the ORPP as an investment vehicle to supplement their retirement, rather than being forced into it. Would you see the benefit in that?

**Mr. Hugh O'Reilly:** I think there's always a benefit when people are trying to put away more money to prepare for retirement. The issue here would be that I'm not sure that you could create—I think the individual could say they want to put more money in, but I'm not sure they would be in a position to compel their employer. So it would be just that individual treating the

ORPP as a more efficient investment vehicle, say, than an RRSP, and avoiding fees. I think that's something that could potentially be looked at. But I think the communication to the employer is critical.

**Ms. Jennifer K. French:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** Mr. Delaney.

**Mr. Bob Delaney:** You're a very knowledgeable person with a lot of insight into this, so I'm going to put a question—

**Mr. Hugh O'Reilly:** I'm going to tell my wife you said that.

1620

**Mr. Bob Delaney:** It's on Hansard. She can even read it.

I'm going to ask you a fairly brief question, and I'd actually like you to expand on it a little bit. You recently gave a speech at the C.D. Howe Institute. I believe what you said was that the people of Ontario had recognized that retirement savings is a huge challenge for them. I'd like you to expand on why that is, how the landscape has changed, and also, as you administer a very well run defined benefit plan, what are the benefits that a plan like yours offers members.

**Mr. Hugh O'Reilly:** Sure. I was basing my comments around the way Ontarians feel based upon public polling research that was aggregated by an organization called the Gandalf Group. What it showed is that the vast majority of Ontarians are uncertain and worried about their retirement future. In addition, my plan, along with teachers and the health care plan and OMERS, commissioned the Boston Consulting Group to do a study; I think it was three years ago. That study showed that for people on defined contribution pension plans, their account balances—those people live in fear of outliving their money, so they don't have happy retirements. People actually spend more or play a much larger role in local economies when they're part of defined benefit plans, which pay them a specific amount.

I would say that the public polling research plus the data that's been gathered by our plan and other plans demonstrate that people are concerned about retirement, that notwithstanding the various studies that are out there suggesting that the statistics don't support expansion, people want expansion. I think it's not people necessarily my age, but people, say, who are around 40 who aren't in these plans have got real issues.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Bob Delaney:** Keep going. Keep going.

**Mr. Hugh O'Reilly:** What defined benefit plans do is, first of all, we pool longevity risk; we pool investment risk. We have lower costs typically, and there's all sorts of research on that. It allows people to retire in a way where they are not worried about outliving their incomes. I think if we look at our parents' generation compared to the current generation, my fear is the current generation is going to be far worse off than our parents' generation, and that's a shame, because those are the people who made it a point of expanding CPP and OAS and responding to the challenges that we face.

So I view this as a critical piece of legislation. I think if it's managed by our excellent pension plans that are out there, the monies will be managed in a way where it's arm's-length, where it's appropriate and where it's aimed at getting the best returns for members. That's why we're in support of the ORPP.

Thank you.

**Mr. Bob Delaney:** Chair, I don't think that's been encapsulated any better by anybody today. Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. O'Reilly.

#### CANADIAN LIFE AND HEALTH INSURANCE ASSOCIATION

**The Chair (Mr. Peter Tabuns):** The next presentation, then, is the Canadian Life and Health Insurance Association, Frank Swedlove.

As you know, you have five minutes to present. There will be nine minutes of questions. I'll warn you when you're running short on time. If you'd introduce yourself for Hansard.

**Mr. Frank Swedlove:** Thank you, Mr. Chair. My name is Frank Swedlove, president of the Canadian Life and Health Insurance Association. I have with me Leslie Byrnes, who is the vice-president of distribution and pensions.

It's certainly a pleasure to be here to speak to you today on this important issue on behalf of the Canadian Life and Health Insurance Association.

The CLHIA is a voluntary association whose member companies account for 99% of Canada's life and health insurance business. The industry has over \$240 billion of investment in Ontario, making it one of the largest investors in the province's economy. The industry administers two thirds of Canada's pension plans, primarily defined contribution plans for small and medium-size businesses. In Ontario, we administer 18,000 workplace retirement plans for over 2.2 million workers.

We have been actively engaged with the ministers and finance officials on both the ORPP and PRPP and recently commented on proposed design features of the ORPP. While we have views on a number of matters related to the ORPP, I'll be focusing my comments to you on one of the most fundamental of the design features, and that is what constitutes a comparable plan.

The act identifies "eligible employees" as those "who do not participate in a comparable workplace pension plan." How "comparable plan" is defined will affect who gets captured and who doesn't. Our biggest concern is that if it isn't done properly, it will in fact jeopardize the future financial security of potentially millions of Ontario workers. In other words, the unintended consequences would work at direct cross purposes to the original public policy intent.

The government is proposing that only defined benefit plans and target benefit multi-employer pension plans be considered comparable and be exempt from an obligation

to enrol employees in the ORPP. This will impact 2.4 million Ontario workers who have workplace retirement plans that are not DB or TB plans, but are largely defined contribution plans or group RRSPs. It sends a message to Ontario employers that the plans they have set up in good faith, and which often include contributions far in excess of the ORPP, are second-rate.

I'd like to tell you a little about these plans. I'd also like to share with you what we're hearing from employers about actions they may have to take if they are forced to participate in the ORPP.

First, there seems to be the assumption that workers in a non-DB plan are not adequately prepared for retirement. I would submit to you that this is not the case. Average contributions to DC plans are 9.5% of an employee's salary, 5.2% of which is from the employer. Average contributions to group RRSPs is about 8.3%, with 4.3% from the employer. These are well above the contribution rates suggested for the ORPP.

Assets within DC plans are locked in until retirement. Assets within group RRSPs are not locked in by statute, but in practice almost 70% of employers restrict withdrawals by contract or by collective labour agreements, effectively making them locked in.

As for retirement income, employees in a DC plan have the option of taking an annuity which will provide them with fully guaranteed income for life; or a life income fund; or a registered retirement income fund, or a RRIF. LIFs and RRIFs also have a strong guaranteed income element, providing a predictable income stream to age 90.

We worry that not considering these plans as comparable could cause employers to reduce or even drop the effective retirement plans they already have in place.

We commissioned a survey by Environics earlier this year. They reached out to over 400 Ontario companies with existing plans other than DB or target benefit. Three quarters of the respondents said they would consider reducing contributions to their existing plans if forced to also participate—

**The Acting Chair (Ms. Jennifer K. French):** One minute left.

**Mr. Frank Swedlove:** —in the ORPP; and two thirds said they would consider eliminating their existing plans altogether. This could mean reduced savings for over two million Ontario workers who are already on track for retirement.

In conclusion, we would strongly urge the Ontario government to respect the efforts made by the province's employers in providing solid, responsible retirement plans for their employees; and to make DC pension plans and group RRSPs comparable. The ORPP should be focused on those at risk of undersaving for retirement—in other words, those without access to workplace plans—and not impose additional requirements on those already on track for retirement.

Thank you, Chair, for the chance to appear before the committee today. I would be pleased to respond to any questions that the committee may have.

**The Chair (Mr. Peter Tabuns):** Ms. French?



**Ms. Jennifer K. French:** Thank you very much, Mr. Chair—and well-timed, sir.

Thank you very much for joining us today. I did have some thoughts.

One of the issues that you raised: You worry that not considering these plans as comparable could cause employers to reduce or even drop the effective retirement plans that they already have in place. We've heard that before: that we don't know what's going to happen. While that might be a possibility, is it also a possibility that the ORPP will serve as a further supplement to plans that are already in place, rather than as a replacement?

**Mr. Frank Swedlove:** Well, that's why we went out and asked the question. We found that in the vast majority of cases, employers were giving the message that they would either reduce the plans—or if the view was that the government was, essentially, going to provide adequate income for retirement, then why would they be contributing to a plan at all?

I think the fact that they are raising this issue really raises a level of concern, particularly given that the average contribution rates on these plans are greater than what the ORPP is contributing.

**Ms. Jennifer K. French:** I had another thought—with all of that movement, I sort of have lost the thought.

Obviously, there are going to be challenges. One of my questions, then, to you would be: If some are comparable and some are not comparable, in terms of plans, would you imagine that there's going to be a competitive disadvantage in your marketplace, so to speak, for those that offer plans or that don't or—

1630

**Mr. Frank Swedlove:** I'm sorry. Are you talking in terms of the actual attraction of employees by employers?

**Ms. Jennifer K. French:** Yes.

**Mr. Frank Swedlove:** That's always an interesting issue—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Frank Swedlove:** —and I think there's a real, legitimate concern that there are small and medium-sized businesses where there are no plans being offered at all. Therefore, I can see a role that an ORPP could play in that regard.

In a study by McKinsey, their view was that 83% of Ontarians were already adequately covered for retirement. So there could be 17%—I'm not going to debate the numbers—of people who aren't adequately covered. We think there's a role, for example, for a PRPP to contribute to that—I mean, the ORPP could, but the difficulty we have in the concept of the ORPP, of course, is that it's going to apply to a lot of people who don't need to save more for retirement.

**The Chair (Mr. Peter Tabuns):** Thank you. I'm afraid you've run out of time. I'm going to go to the government.

**Mrs. Marie-France Lalonde:** Thank you very much for your time here today. It's definitely an interesting point that you're bringing. I've heard for the past few

hours—again on numbers—that about 60% of Ontarians actually do not save, or save enough, for their retirement. What you're suggesting or making comments on is that there's really not a pension crisis, in your view, as to whether people are saving enough.

I guess I'm going to ask you this: How do you account for the recent polling data from leading institutions like RBC that found that in 2013, only 39% of Canadians put away money for retirement in 2014, and 30% have not even started saving?

**Mr. Frank Swedlove:** Well, I don't know the basis of that RBC study. I'll ask my colleague if she does. But I do refer, for example, to the McKinsey study, which would certainly question the premise that I think you're suggesting, that 60% of Canadians are not ready for retirement. Sure, there are some people who are starting off working who may not be saving for retirement but could be putting the money towards a house down payment or other reasons which could be legitimate.

I think the question is, at the end of the day, will the person have sufficient funds in retirement? What is important is that they have the opportunity, through their workplace, to be able to save for retirement. I think that's something that, for example, a PRPP can contribute to.

I would note that in Quebec, for example, any business with more than five employees will have to have a workplace retirement plan in place. That will ensure that over 90% of Quebecers, within a few years, will have a pension plan.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mrs. Marie-France Lalonde:** Do you want to ask your question?

**Mr. Granville Anderson:** I do.

**The Chair (Mr. Peter Tabuns):** Mr. Anderson?

**Mr. Granville Anderson:** I have heard the McKinsey study being referred to a number of times here. You just said that you didn't know the basis of all the other Canadian studies. Do you know the basis of this American company's study that says that 83% of Ontarians are putting away enough for retirement?

**Mr. Frank Swedlove:** Yes, I do.

**Mr. Granville Anderson:** And what's the basis? Could you elaborate on that, please?

**Mr. Frank Swedlove:** Well, the basis—it's a very detailed study and I probably won't have sufficient time to go into detail. But the basis of the McKinsey study is that they've done a review of all those who have adequate savings, whether it's defined contribution or a group RRSP plan or a DB plan or whatever, and all those—and they were, for example, lower-income Canadians—who will have a sufficient return on investment. Indeed, that's why the ORPP proposal suggests a carve-out for those people. They are all factored into the calculations.

**The Chair (Mr. Peter Tabuns):** Mr. Anderson, your time is up. We have to go to the official opposition.

**Mrs. Julia Munro:** I would just jump in here and say to you as well that if you go to StatsCan, their numbers for that period of time certainly support the McKinsey

numbers. But I don't want to spend our time debating the value of numbers.

One of the things that we've heard over and over from people in the private sector is the potential job loss, because in a small business, people can't afford and can't see their way to raising prices or being competitive in this kind of market where they're also dealing with the highest hydro rates and various other WSIB rates and things like that. So when you take it as a global thing, this is just one thing that is too much.

The question I wanted to ask you was with regard to your role in this association. You've identified a very important quote, I think: that this proposal threatens the viability of existing plans and could negatively impact the retirement savings of millions of Ontario workers, which is certainly a very scary scenario.

My question is: In your area, Toronto is the financial centre, virtually, for the country, and much of that is based on the functioning of the private sector. How do you see this potential piece of legislation impacting on that very important economic sector of the city?

**Mr. Frank Swedlove:** I don't think it could be helpful. The reality is that the vast majority of the expertise is centred here in Ontario for all of the pension plans that we administer, and we administer over 75% of the pension plans and 90% of the group RRSPs.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Frank Swedlove:** Our view is that it will negatively affect this business, and that obviously will affect the fact that—if Ontario is seen as the Silicon Valley of pensions, I would think a very large reason for that is the role that the private sector plays in it.

**Mrs. Julia Munro:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

**Mrs. Gila Martow:** Oh, we're done?

**The Chair (Mr. Peter Tabuns):** No, you have 30 seconds. Did you have a question?

**Mrs. Gila Martow:** I just wanted to comment. What we hear often is "unintended consequences." It could be with the best of intentions, but I think that that's what we're hearing over and over: You don't make something better for some Ontarians by making things worse for other Ontarians. For the two million that you're estimating who have very good pension plans, if they go to this plan, it's actually going to be reduced retirement income for them, and that's a very scary thought.

**The Chair (Mr. Peter Tabuns):** Thank you, Mrs. Martow.

And thank you very much, sir.

**Mr. Frank Swedlove:** Thank you.

MR. MIKE DeVILLAER

MR. WAYNE SKINNER

**The Chair (Mr. Peter Tabuns):** The next presenter: Mike DeVillaer. I apologize for mispronunciations.

**Mr. Mike DeVillaer:** No, that's perfect.

**The Chair (Mr. Peter Tabuns):** That works? Excellent. I'm very pleased.

So, five minutes to present and nine minutes of questions. I'll give you a minute's notice in each segment.

**Mr. Mike DeVillaer:** Thank you.

**The Chair (Mr. Peter Tabuns):** And please introduce yourself.

**Mr. Mike DeVillaer:** My name is Mike DeVillaer. With the Chair's permission, I would like my colleague, Mr. Wayne Skinner, to join me.

**The Chair (Mr. Peter Tabuns):** Yes.

**Mr. Mike DeVillaer:** Mr. Skinner and I represent a group of employees, both retired and current, at the Centre for Addiction and Mental Health. I would like to start by saying that we fully support the vision of the ORPP. However, I also have to say that we are two of an estimated 10,000 public service employees whose pensions are in serious peril as a result of the split pension problem that I know some of you have already heard about.

What this means for us in practical terms is that you lose up to 25% of your pension that you had not intended on. That happens right across the full spectrum of income levels. It's from relatively low-paid people to relatively higher-paid people, as well.

The harm may have been a mistake. It may have been unintended, but our government has known for some time now that this is a problem and it vowed to address and correct this oversight. Accordingly, the government established the Expert Commission on Pensions. In its 2008 report, the commission verified the harm to pensioners and made corrective recommendations. On the basis of the report, legislation was introduced and received all-party support in the Legislature. The members of the Legislature did their part, but the good intentions of the Legislature were thwarted in the implementation.

The provisions that emerged are so punitive that they do not qualify, by any definition, as a solution that anyone can imagine. The retirement income of those with split pensions remains significantly short of what it should be, unless they pay additional premiums to their current pension plan. In many cases, these premiums amounted to tens of thousands of dollars and even hundreds of thousands of dollars.

1640

If I can personalize just for a moment, my pension plan wants me to pay them \$302,000 to get a pension that I have already paid for in full. Short of selling my house and moving in with my children for my retirement, that's not going to happen, okay? In fact, I suspect my children may make a deputation to you to prevent that from happening.

So it's important, I think, that the current members of the Legislature learn from the recent past attempts at pension reform. Before any expansion of our pension system occurs, there has to be a close look at what has gone wrong, and it has to go beyond just statements of good intentions. Please appreciate that, from our perspective, we've been hearing statements of good intentions



for 15 years and we still remain in peril with our pensions.

I would encourage the government and this committee to also look at why Ontario's existing defined benefit pension plans were either incapable of protecting their members from these harms or unwilling to. That's an important part of the problem that cannot be lost.

In closing, we recommend two courses of action.

First, reparations must be made to those pensioners whose retirement plans have been shattered by split pensions.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Mike DeVillaer:** That is just an element of justice, to show that the government is serious about securing people's pensions. We have paid for these pensions, we've earned them, and we deserve them, as all Ontarians do.

Secondly, before any expansion of Ontario's pension system occurs, there needs to be a review of what went wrong. There need to be systemic remedies implemented to prevent these harms from occurring in the future.

It's only under those conditions that Bill 56 can really allow Ontarians to feel financially secure in their retirements. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you, sir. The first question to Mr. Delaney.

**Mr. Bob Delaney:** Thank you very much for a very, very interesting perspective on the issue. I'd like to ask you a question that I wanted to ask a previous presenter; you've given me an excellent opportunity to do it.

One of our previous presenters in their brief made an assertion that some 17% to 22% of low-income Canadians are not in the target group of undersavers because, according to the deputation, the OAS, GIS and either the CPP or Québec Pension Plan would maintain their already low income levels.

I'd like it if perhaps you could speak to the challenges that individuals within your circle whom you're familiar with may face in saving for retirement.

**Mr. Mike DeVillaer:** It's a very good question. I think it's more suited to an economist, which is not my area of expertise. Certainly a lot of the people we see have all kinds of financial hardships. How it is related to pensions, I don't think I can address with any expertise.

**Mr. Wayne Skinner:** I don't really have much to add as well.

**Mr. Bob Delaney:** Among the people you are familiar with, how might they benefit from enhanced retirement security? Perhaps you could expand on that a bit.

**Mr. Wayne Skinner:** In a way, we're here to talk about our pension dilemma, but you're asking questions that actually have to do with our work at CAMH. Am I getting you right?

**Mr. Bob Delaney:** Yes.

**Mrs. Marie-France Lalonde:** Well, we're talking about the ORPP, the Ontario Retirement Pension Plan, at this committee, so we want to know how that would benefit you—

**Mr. Wayne Skinner:** Yes.

**Mr. Mike DeVillaer:** They're fair questions, and I don't mean to look to be dodging them, but I think our point is that before any expansion and discussion of those issues, let's figure out what has gone wrong with the most recent attempt and get that right, before we begin to address those—for me, anyway—much more complex issues.

**Mr. Bob Delaney:** Thank you, Chair. I think we're done.

**The Chair (Mr. Peter Tabuns):** No more? Okay. The opposition? Ms. Martow.

**Mrs. Gila Martow:** How much would it cost the government to rectify the sort of unintended consequences, I'm guessing it was, of labour negotiations that caused you to lose out on your pension?

**Mr. Wayne Skinner:** For the group, there are 10,000 people who are affected and—

**Mrs. Gila Martow:** What's the average? Because we're hearing that it varies.

**Mr. Wayne Skinner:** I personally don't know the answer to that, but I think that to assume the solution has to come from the government is an assumption. As people who paid our pensions—and our employers have paid our pensions—I would first look to the pension plans, who really showed a very sorry self-interest in the way that they've dealt with our group. That's the first problem, I think, in this whole issue.

To get a solution, somebody needs to get at who should be paying and how much is involved, for sure.

**Mrs. Gila Martow:** Yes, because I think that we all agree that we wouldn't hire, say, a group of doctors who weren't able to manage a small clinic to maybe open a hospital. What the discussion here is stemming from is that the government, even though all parties supported rectifying the problem—they haven't done their homework; they haven't followed through on what was promised, and they're asking for the taxpayers and all the residents to Ontario to support them in large-scale pension reform in the province.

**Mr. Mike DeVillaer:** I think the one point I would like to add is that I think we can find fault in a lot of quarters. I'd like to bring the group back to the Legislature's all-party support for a solution that, somehow, went off the wheels, and use that as sort of a galvanizing notion for going forward. This is something that had all-party support, and let's try to recapture that.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mrs. Gila Martow:** Okay, go ahead.

**The Chair (Mr. Peter Tabuns):** Mr. McDonnell?

**Mr. Jim McDonnell:** I think your point is that just because your pension was split between two plans, you made the contributions to both. The way the formulas work is if it's one continuous plan—so you're penalized. It's not like you haven't made contributions for 30 years; it just means you're affected by this current formula that assumes you worked somewhere else and didn't contribute at all, but that's not right. So the money is there; it's

just a matter of cleaning things up. I think that's a real big issue.

There has been all-party support, but no action by this government.

**Mr. Wayne Skinner:** We support going forward with the bill that's under discussion. I think the lesson here, and the opportunity, is to review a remedy and then move forward.

But the idea that good intentions that come from legislators are always going to produce good outcomes—there are unintended consequences, and I think it is very important, actually, in designing legislation, to make sure that there's accountability and there's—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that your time is up.

We go to the third party: Ms. French.

**Ms. Jennifer K. French:** Again, thank you very much for joining us here. I'm glad that—well, I'm not glad about the situation that you're bringing to the table. I'm glad that we've now had more than one opportunity to discuss it, because as we're talking about a new plan that is moving forward for many Ontarians, potentially, we can't move forward without being informed about where we've been and where we need to go back and revisit—that it isn't just onwards and upwards; that isn't finished.

We had heard earlier about Bill 236. Just for my own clarification, we're talking about the same situation here, with split pensions. Do you have thoughts on Bill 236 as well?

**Mr. Mike DeVillaer:** I'm sorry; say that again?

**Ms. Jennifer K. French:** Do you also have thoughts on Bill 236, which we had been talking about earlier?

**Mr. Wayne Skinner:** Again, I think there were good intentions. There was unanimity in the House. It's more on the implementation of it that, really, our concern is.

I find it very ironic that, at the same time our group is being told that we ourselves have to pay to get our pension remedy—being double-dipped by the pension plans—both of my pension plans are talking about how great they've been doing and the profits they've been making. But they have excluded us as stakeholders in those remedies. They're actually saying—anyway, I think that's an issue that—

**Ms. Jennifer K. French:** I'll come back to excluding you as stakeholders. You had mentioned—first of all, with the Expert Commission on Pensions, there are recommendations that haven't been heeded, so that's a place to start. But you had talked about reparations, and I'm curious: What would you like that to look like?

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Mike DeVillaer:** Okay, I'll try to be very brief. I think we have someone with a lot of credibility and expertise on this in Harry Arthurs, who commissioned that initial report. I would like to see government secure his involvement again and have him look at what went wrong. I think he can do that at arm's length from the pension industry, which is important. I think that would be a great start, to have someone with that kind of exper-

tise and facility with the language of pension companies, because when they start talking actuarial science, it really gets out of the court of so many people.

1650

**Ms. Jennifer K. French:** And just—because I know we're running out of time—that there needs to be a review of what went wrong: Would you like to be involved in that process, rather than just hearing from the pension companies; to also have you at the table?

**Mr. Mike DeVillaer:** Absolutely. I think that's essential—

**Ms. Jennifer K. French:** So you're willing to attend the conversation, should the government invite you?

**Mr. Mike DeVillaer:** Yes, absolutely.

**Ms. Jennifer K. French:** Wonderful. I hope you'll be there.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

#### TRILLIUM AUTOMOBILE DEALERS ASSOCIATION

**The Chair (Mr. Peter Tabuns):** Now we go on to the next presenter, Trillium Automobile Dealers Association, Frank Notte.

Mr. Notte, as you've probably seen, you get five minutes to speak. There are nine minutes of questions. I'll give you warnings when you're close to being out of time; if you'd introduce yourself for Hansard.

**Mr. Frank Notte:** Thank you. My name is Frank Notte, and I'm director of government relations for the Trillium Automobile Dealers Association. We are Canada's largest new car dealer association, representing over 1,000 dealerships of every brand and franchise across Ontario.

Ontario new car dealers provide well-paying jobs in numerous fields, including sales, marketing, skilled trades, and finance and administration. Collectively, dealers employ 49,000 women and men—the same size as the city of Belleville.

As employers, we have taken a very keen interest in the proposed Ontario Registered Retirement Plan. Specifically, we're very concerned about the added cost of doing business. On a macro level, we estimate that the ORPP will cost Ontario new car dealers nearly \$47 million per year. On a micro level, if a dealership employs 50 people, each with an annual average salary of \$50,000, that particular dealership's cost of doing business will increase by \$47,500 each and every year. This represents the equivalent investment required to create another job. Over the course of a 20-year period, the ORPP will cost this particular dealer nearly \$1 million.

We echo Ontario small business owners who responded to a recent Meridian Credit Union Leger survey, which found that "77% of Ontario small business owners believe that managing the introduction of the ORPP could be their biggest business challenge to date."

Dealers are constantly seeing an upward trend in the cost of doing business, such as an increasing red tape



burden, a substantial employer health tax, the highest WSIB rates in Canada, ever-increasing hydro rates, increased fees courtesy of the College of Trades, purchasing new Drive Clean equipment, budget 2014's elimination of the small business deduction, which was sold as a key part of the province's HST package, and a pending carbon tax.

We are also concerned about the potential hidden cost employers will endure through a new pension bureaucracy that will be needed to administer the ORPP. We feel that the ORPP should not move forward at all; however, we understand the government's resolve to implement it. Therefore, we have two suggestions that would minimize the ORPP's impact on small business.

Our first recommendation is to classify defined contribution group RRSPs and similar plans as comparable to the ORPP. Our concern is that the ORPP will interfere and possibly eliminate existing employer-sponsored plans. Such plans are already tailored to the needs of employees. Implementing the ORPP will be duplicating an already existing framework that helps our employees achieve their retirement goals.

With the introduction of pooled registered pension plans legislation last December, the ORPP should be delayed until employers are aware of potential PRPP products that make sense for them and their employees. Employers should be able to have a choice of whether to offer a PRPP, in light of the pending ORPP. I would suggest defining a PRPP as a comparable plan.

Our second recommendation is to implement tax relief to offset the cost to employers. The overall cost of the ORPP will be new and significant, and make job creation much more difficult on top of the existing costs that I previously mentioned. Therefore, we believe it's reasonable to suggest corresponding tax relief for employers to offset these new costs.

I hope the committee looks favourably upon these recommendations to help foster economic growth in Ontario's auto sector.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Notte. First, to the official opposition: Mrs. Munro.

**Mrs. Julia Munro:** Thank you very much for coming and bringing forward these particular issues. Since I'm going to make the assumption that most of us, or all of us, are drivers, it's certainly important to hear the voice of a particular sector that obviously has specific needs. I think the question that you raise about the dealership and its focus as a local business is a demonstration of the kind of concern that people have: Is it going to be comparable?

The other key thing is "mandatory." What impact is this going to have on the businesses you represent? Certainly, I think that you've given us some detail there. At the end of the day, obviously, it's supposed to be to the benefit of the employee. They're not going to feel a benefit if they have shortened, reduced hours or lose a job.

I'm wondering if there is anything else that you wanted to add.

**Mr. Jim McDonell:** I think that you made some points. For the most part, business has been negatively affected by policies over the last dozen years. We've seen a lot of jobs eliminated. The studies already show that 160,000 person-years of employment will be lost with this legislation. Those people will have no benefits because they won't get any—they aren't working so they won't get pensions.

You're just highlighting a lot of this, and looking at pensions that you provide now that are superior to what this is proposing. But they'll lose that and have to move to something like this.

We already saw one study showing that 78% of employers providing pensions—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Jim McDonell:** —will actually opt into this one because it's a government pension plan. So who loses out? The employees do. Actually, they'll have less pension down the road.

Maybe you want to comment. You see your association and what ability they have to pay this extra fee.

**Mr. Frank Notte:** I think that's the main point. Sometimes, when ministries want to implement policies, Ministry A does something, and Ministry B does something, and Ministry C. But it's always the dealer—in my case, it's the dealer—on the other end that sees everything in total.

I think it's just one more added cost of doing business, which will make a significant dent in their business and their ability to create jobs.

**Mr. Jim McDonell:** There's no question: Something like this will come in with a fair amount of regulation that you'll have to follow, which means more administration costs—which again requires more time—and less time with the customer and less ability to actually serve the customer.

**Mr. Frank Notte:** Exactly.

**Mr. Jim McDonell:** Thank you.

**The Chair (Mr. Peter Tabuns):** Okay. Ms. French?

**Ms. Jennifer K. French:** Actually, just to add on to that in terms of customers, I was, not too long ago, a customer at a car dealership. Anyway—

**Mr. Frank Notte:** Great. How was the service?

**Ms. Jennifer K. French:** As I recall, it was fantastic, and the car is also. It was made in Oshawa; it's a GM vehicle. I was pleased to be a part of that process. Certainly, on behalf of Oshawa, I support the growth of the automotive sector. Thank you for giving me the chance to say that.

Something that I have seen, also, being in Oshawa, is the relief of our current GM employees and pensioners that GM has committed to staying in Canada—their recent re-commitment in Ingersoll. That reassures, because it means that there's that pension security. As we know, when we have that pension security, and people can predict in their retirement, then they'll spend money. My father is newly retired and has already bought another car. We know that people don't just disappear in

their retirement, and I'm sure that you can appreciate that.

One of the things that you mentioned in your submission that I'd like to give you the chance to expand on is your point 3: "The self-employed should have the option to join." We haven't really talked about that today, so if you can expand on that for us.

**Mr. Frank Notte:** Yes. We wrote that letter before the consultation document was released. Once the document was released, we found out that changes to the federal Income Tax Act would have been needed in order to facilitate that.

We put that in as an idea. We always think choice is a good thing, so we put that in, in case an employer feels like they need to contribute to a pension plan, whether that's the ORPP or a PRPP that might be coming down the pipe. We just put that in to at least allow the option, if someone felt that was in their best interests.

**Ms. Jennifer K. French:** It highlights the point that there are other pieces to this.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** Whether we're talking about OAS and GAINS, when we're looking at other pieces to this puzzle, the federal government could potentially be involved. We know that this Liberal government provincially doesn't have the greatest track record of having open dialogue with the feds, and that's fine. But would you encourage them to continue to pursue that dialogue so that, as you said here, there are maybe more options and more choice offered?

1700

**Mr. Frank Notte:** Dialogue in terms of options? Yes, I think so.

**Ms. Jennifer K. French:** Okay. Thanks.

**The Chair (Mr. Peter Tabuns):** To the government: Mr. Delaney.

**Mr. Bob Delaney:** Thank you. What an interesting brief. A question for you to clarify a comment you made: Is managing the cost of the Canada Pension Plan currently your biggest business challenge today?

**Mr. Frank Notte:** I would say that it's something else that they have to do. Like I said before, it's one more thing that takes—

**Mr. Bob Delaney:** But is it your biggest challenge today? Is that your biggest business challenge today?

**Mr. Frank Notte:** The CPP?

**Mr. Bob Delaney:** Yes.

**Mr. Frank Notte:** No, but it takes time to implement it.

**Mr. Bob Delaney:** All right. I'm just noting that, because you said managing the ORPP, which is deliberately structured to be identical or comparable, would be your biggest business challenge today.

So a question for you, then: What type of pension plan do you offer to the employees at your own dealership?

**Mr. Frank Notte:** So 77% of Ontario small businesses said that, not me. That's a Meridian Credit Union/Leger survey. We echo that survey.

**Mr. Bob Delaney:** So what type of pension plan do you offer to the employees at your own dealership?

**Mr. Frank Notte:** Different dealerships offer different plans.

**Mr. Bob Delaney:** Yes, but what type do you offer?

**Mr. Frank Notte:** We don't offer one. The dealerships themselves offer them.

**Mr. Bob Delaney:** Oh, you don't offer one.

**Mr. Frank Notte:** So a defined contribution plan, a group—

**Mr. Bob Delaney:** So if all businesses, including all car dealers, participate currently in the CPP and, should it be passed, the ORPP, and if it's structured to be comparable or identical to the CPP, then how does that affect your ability to be competitive, as you asserted in your brief?

**Mr. Frank Notte:** If we already have a pension plan that we provide, you mean?

**Mr. Bob Delaney:** Well, you just said that you don't, other than you—

**Mr. Frank Notte:** Our association doesn't. We represent a thousand car dealers—

**Mr. Bob Delaney:** No, I asked you about your dealership.

**Mr. Frank Notte:** I don't have a dealership. We're the association of—

**Mr. Bob Delaney:** Oh, I see. Okay. So in line of what you said, why do you think that decreasing the ability of future generations of seniors to purchase a car or replace a car in retirement would be good for car dealers' business.

**Mr. Frank Notte:** I never said that, but—

**The Chair (Mr. Peter Tabuns):** You have a minute left, Mr. Delaney.

**Mr. Bob Delaney:** No, in your brief, you talked about the ability of people to buy a car. By enhancing the ability for future generations of seniors to be able to afford a car, which is something you appear to be opposed to—why do you disagree with enhancing the ability of future generations of seniors to become your customers?

**Mr. Frank Notte:** I don't think you have to do it with the ORPP—that's one of them. And we wouldn't be opposed to offering some tax relief—or the government offering some tax relief to help implement that policy.

**Mr. Bob Delaney:** Thank you very much. We're done, Chair.

**The Chair (Mr. Peter Tabuns):** Thank you, sir.

#### DOWNTOWN GMC BUICK

**The Chair (Mr. Peter Tabuns):** Downtown GMC Buick: Chris West, president. Mr. West? You have five minutes to present, nine minutes of questions, and I'll let you know when you're running out of time. If you would introduce yourself for Hansard.

**Mr. Chris West:** My name is Chris West. I'm the president of Downtown Pontiac in St. Marys, Ontario, and a director of AllRoads Dodge Chrysler dealership in St. Marys. For those of you that don't know where St.



Marys is, it's northeast of London, Ontario, and west of Stratford, and home of the Canadian Baseball Hall of Fame.

As a dealer, we are opposed to the Ontario pension plan. Our expertise, of course, limited as it is, is in automobiles. We've seen the Canadian share of production of automobiles decrease from 17% of North America to 14.5%. Each automotive manufacturing job generates 10 other jobs in the economy. So then, that effect of going from 17% down to 14.5% has cost 80,000 jobs in Canada. Most of those, of course, are in Ontario because that's where the automotive production takes place.

The average automotive garage profit in the last 10 years is 1%. At our dealership, roughly half of our expenses are employee expenses. So if you take half of the 1.9% you're going to impose, that would bring the average, if it moves forward for the next 10 years, at 0%. It takes the profit of an automotive facility down to nothing.

Based on what we see and what we read, it's our instinct that if this plan goes into place, we'll lose 20,000 jobs per year in Ontario. That will force the UIC up for the federal government; sales taxes will be lost, property taxes will be lost, income taxes will be lost. The Canadian Federation of Independent Business says it's going against common sense. Kevin Sorenson, Minister of State for finance, indicates it will kill jobs.

We don't believe this is a good plan. We understand that probably the most people at risk are single seniors. I'll tell you the story of my mother, who bypassed 100 years of age. She said she had never been so well off in her life. People asked her why she could afford to go into a retirement home. She said, "I bought only what I needed, not what I wanted." So I use her as a reference. I think this is a bad idea.

We believe in social programs. I think Canadians want social programs, but we believe a strong economy is necessary to generate those social programs. Infrastructure, which we know the Liberal government is in favour of, is important, as well as health care. These are things that will generate the economy forward and give us the ability to support the social programs that we all expect.

Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. West. Ms. French?

**Ms. Jennifer K. French:** Thank you very much for joining us today. I've already told my car dealership story, so I guess I can't lead with that again.

But I would like to echo what you had said about the importance of a strong automotive sector and the future of manufacturing. When we're talking about manufacturing jobs and the spinoff jobs in the community, I can appreciate the importance of that locally, and personally, of course.

I'm not going to start to get into a debate with you about the importance of pensions, but I'll bring it back to what you had said about a strong economy. I would tend to think that part of the strength of that economy is people's ability to participate in it. So by having this plan or by having these strong, predictable income streams

that individuals will be able to—whether it's buy a car or go for lunch in their neighbourhood, that's a huge piece of it.

I guess from that perspective, and recognizing that this is coming, do you have suggestions for ways to ameliorate it? Your colleague who had spoken before you had some suggestions. Do you also have suggestions for ameliorating the impact?

**Mr. Chris West:** Yes, I have some suggestions in the plan that I laid out. There are a number of areas where we can increase the income coming into Ontario. I believe one of those is a minimum tax. I think it's absolutely ridiculous that some people pay 0% tax and yet enjoy the social programs. That's in the report.

We certainly undercharge for people, I think, going into the health care system. I think of my sister going into the St. Marys hospital. Four or five people worked on her and the bill was less than \$800. I thought that was ridiculous. It should have been a couple of thousand dollars.

We see, as we drive down the road, the way people drive. I think we have to increase the fines for people who are putting others at risk, which is texting, drinking and driving. Those fines should be much higher and the vehicles should be impounded for a period of time. I think there are ways we can raise the money.

If we put the Ontario pension plan into play, I think it's critical the employer not be charged the 1.9% and the employee not be charged the 1.9%, because there are jobs moving from Ontario. Businesses are hanging on by their fingernails. I was on the streetcar on St. Clair Avenue in Toronto about a year ago and as I went down, I was looking at the businesses that had closed—

**The Chair (Mr. Peter Tabuns):** Sorry, Mr. West, but your time has ended on this question. We're going to the government. Mr. Colle?

**Mr. Mike Colle:** Thank you, Mr. West. You just mentioned St. Clair and the St. Clair LRT, the debacle there, but anyway, I won't get to that.

Did you notice all the expensive restaurants on St. Clair now, though?

**Mr. Chris West:** I had the ability—

**Mr. Mike Colle:** I used to live on St. Clair, by the way.

1710

**Mr. Chris West:** Yes. I had the fortune, when I worked for General Motors in Oshawa, to call on the dealers on the west side of Toronto, so I saw St. Clair Avenue as a real bustling area. It seems to me that it has been pulled back a little bit because of the construction down the centre of that road, but that was many years ago—

**Mr. Mike Colle:** Let's not go there, but it's interesting.

**Mr. Chris West:** Yes.

**Mr. Mike Colle:** I think you make some valid points. You're concerned about the future economy of St. Marys, which I think is one of the most beautiful towns in Ontario with its yellow brick everywhere, and I'm not

doing that to patronize you, but it really is. It usually gets mentioned as that—that, Gananoque and Perth. I think you have a legitimate concern there.

I guess what we're trying to say, as the government, perhaps is, "Listen, remember 2009?" The sky was falling. We had the great depression of 2008. You know what happened there? It was ground zero.

I talk to a lot of car dealers that I know personally. I've got many of the best car dealers in Ontario on Dufferin Street. Dean Myers has been there forever, and all those guys. I think we as a government—despite the Conservatives, who said, "Don't help the car dealers. Don't help the automobile industry," we said, "Listen, these are jobs. It may not be your job. You may not work in the car factory or in the car dealership, but if that guy in the car factory isn't working, he's not going to buy your shoes. He's not going to buy your furniture." So we bit the bullet and we did come up with that money to help ensure that the auto industry continued in Ontario. I think that was a great decision. The money has been paid back—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Mike Colle:** That was the kind of tough decision we had to make then. I think it was a good decision and, as I said, despite a lot of disagreement from these guys here, but it was the right thing to do.

Here we're coming to a point again where, in many parts of Ontario, there are still a lot of people who are falling between the cracks. They worked their whole life and they saved like your mother did and everything, but they reach 65 years of age and they find they can't hold on to their little house or little apartment because the fact is, when they worked, they worked for so little. Many of them are women, in fact. They said, "We need something more than what we have now with the CPP. It's not good enough. So can the Ontario government"—they've asked the federal government, and they said, "Oh, no, no. Everybody's well off. Don't worry about it."

That is where we're at right now. We're trying to come to grips with this reality: These people have worked and need a bit of help.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Colle. Your time is up. We'll go to the opposition. Ms. Martow?

**Mrs. Gila Martow:** The member opposite is correct. We're all hearing from a lot of seniors, especially women, who need some extra help because they can't pay their hydro rates because the hydro rates have skyrocketed in this province and it's damaging the economy. I was just talking to a gentleman out in the hall who had given a deputation earlier, and he said, "I don't understand how a government who messed up the power plants and messed up eHealth"—I implemented eHealth in my optometry practice. It's not rocket science; that's all I can tell you—"messed up the Ornge air ambulances, and the debacles continue on so many other projects—how we can expect that this isn't going to be a disaster as well?"

I'm not going to ask you to address that. I'm just countering some of his points.

Go ahead, Jim.

**The Chair (Mr. Peter Tabuns):** Mr. McDonell.

**Mr. Jim McDonell:** Yes, a couple of points. Our Conservative government certainly stepped up with help to the automotive companies, but I think the issue we're having here is that Ontario businesses are not a candy dish. There's just not more and more money. A lot of businesses in my riding are hanging on. They'd give up, but if they do, they're bankrupt. They have no savings, nothing, because the regulations that have come through, the higher energy costs and the payroll taxes are killing people. Yes, we have a low corporate tax, but you've got to make your profit before you pay tax on the corporate taxes. People are not paying taxes because they're not making enough money to pay them.

It's just too bad when we see—this government is the best economic development officer for our neighbours to the south, the east and the west. At least the advertisements back where I live were, "Come on south. We'll give you free taxes. You'll have a better deal down here."

This is just another payroll tax that makes businesses in Ontario less competitive, and any that can move are moving. Unfortunately, a lot of them can't move.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Jim McDonell:** And I guess you're somebody who's seeing this regulation and tax backlog that you're trying to compete with. What are your comments on that?

**Mr. Chris West:** Well, I look at Toronto, an amazing city, the top city in the world. As I was saying, I was going down St. Clair on the streetcar and I saw 30 stores closed on St. Clair Avenue.

I think of the people in downtown St. Marys. They're struggling. They're hanging on by their fingernails. If we pop another 1.9% on them, it's going to put them out of business. And when you take 1.9% out of the pockets of your employees, what's the first question they're going to ask? "Well, jeez, I need the 2% back." So if that's the case, now you're backwards 4% rather than 2%.

It's not a good thing for this economy. Water finds its own level, and the level coming back is not going to be good if this goes into place.

**The Chair (Mr. Peter Tabuns):** Mr. West, thank you very much.

#### CHRISTIAN LABOUR ASSOCIATION OF CANADA

**The Chair (Mr. Peter Tabuns):** Our next presentation: Christian Labour Association of Canada, Jim Doornbos and Hank Beekhuis. Gentlemen, I apologize for mangling your names. If you want to introduce yourself for Hansard, as you know, you have five minutes to speak. There will be nine minutes worth of questions.

**Mr. Jim Doornbos:** Thank you, Mr. Chair and members of the committee. Mr. Chair, you did a great job pronouncing last names.



Thanks for the opportunity to address you today and to provide CLAC's perspective on Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan. My name is Jim Doornbos, and I am the national benefits director for CLAC. I am joined here by Hank Beekhuis, who is CLAC's Ontario director and also sits as a trustee on our pension plan.

For context, CLAC is the largest national, independent, multi-sector labour union in Canada and one of the fastest-growing unions in the country. Founded in 1952, CLAC now represents over 60,000 members nationwide, of which 15,000 reside in Ontario, working in hundreds of workplaces throughout the province.

CLAC is a full-service union with a range of benefit services including a multi-employer defined contribution registered pension plan. The CLAC pension plan has members across a variety of sectors, with the largest group of contributors working in the health care and construction sectors. The plan is designed to provide our members with retirement income above and beyond established government programs.

To provide you with some context, our plan has 71,000 members across the country. It's listed as the 19th-largest DC plan in Canada. It uses best-in-class professional investment managers to invest the funds. It has a joint board of trustees that monitors fund performance on a quarterly basis. It consistently maintains an average expense ratio of 1% or less of plan assets. It has over \$516 million in assets and a contribution range of \$9 million per month. Our year-to-date rate of return for last year was 9.49% after expenses. It's a plan that is highly valued by our members and is helping them save for a comfortable retirement.

Despite the fact that our members have a pension plan in place to supplement CPP, we applaud the government for working on this important issue of undersaving for retirement. We also agree with the government's original comments around this proposal that the best solution would be an enhancement of the Canada Pension Plan.

It is with this in mind that we make a recommendation to this committee for an amendment to Bill 56 that would remove the ability for the new legislation to create exemptions for participation. Not only would this make it easier for Ontarians to understand; in the future, if there was a way to merge the ORPP with the CPP, it would be more seamless, as the CPP currently does not allow for opting out.

If the committee disagrees and the retirement initiative being considered is not going to be across the board for all Ontarians, we feel that the main focus should be on the portion of the population that has no additional retirement savings, rather than on those who are already responsibly making arrangements to enhance their retirement savings through collective bargaining or by working for employers with workplace pensions.

When speaking about possible exemptions, we wish to be clear that we are not advocating to exempt all workplace retirement pension plans. We recommend that the government only exempt those plans that meet specified comparable criteria to what the ORPP is meant to achieve.

1720

On the last page of your package, you'll see a chart that lists the criteria for CLAC that CLAC has recommended to the minister and the ministry during their recent consultation.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Jim Doornbos:** Basing exemptions for comparable plans on qualities of other plans will ensure that the objectives of the ORPP are met while not creating situations where employers can be put at an unfair competitive disadvantage or forced to abandon other valued retirement savings pension plans for their employees.

As per our earlier recommendation, it is our hope that the committee would move forward with a recommendation that would require all employers and employees to participate in the new ORPP. However, if this is not possible, we ask that you ensure that the legislation that follows Bill 56 will exempt all pension plans, like our DC plan, that meet the criteria the ORPP is trying to achieve.

**The Chair (Mr. Peter Tabuns):** Thank you very much. Questions will go first to the government. Madame Lalonde.

**Mrs. Marie-France Lalonde:** Thank you very much for joining us today. As you know, our preferred approach—and I think you've mentioned that clearly—remains the enhancement of the CPP. However, at this point the federal government doesn't seem to feel that this is something that we should do, although—and I wanted this to be noted—just for my curiosity I looked at some numbers. The average CPP benefit is \$6,800, while the maximum benefit is \$12,500. So when you look at what Ontarians are seeing right now, what we're experiencing is, we're really striving to find a solution for the future.

If I may ask, maybe if you could explain or explore a little bit more—can you talk about what you're hearing from your members about the need for enhancing retirement income security?

**Mr. Hank Beekhuis:** Given the fact that we have a pension plan that exceeds CPP, we're not hearing a lot of pressure to do that. We can do that in collective bargaining as we go along, and certainly we're continuing to make that effort. As it says here in the overview, 90-some-odd per cent of our members are well beyond 4%.

**Mrs. Marie-France Lalonde:** Okay. So what happens if an employee leaves the company that employs them?

**Mr. Jim Doornbos:** They can take the balance that's in their DC plan, they can leave it in our plan until they reach retirement or they could transfer it to their own financial institution or into another workplace pension plan that they may have.

**Mrs. Marie-France Lalonde:** Can they take the money? Could they just remove the money ultimately and just—

**Mr. Jim Doornbos:** No. They're subject to the appropriate legislative requirements on locked-in money.

**Mrs. Marie-France Lalonde:** Okay. How would you see this plan comparable to our ORPP? For instance,

you're saying you're offering more than what we're proposing?

**Mr. Jim Doornbos:** No. I think the approach that we're saying is that consistently our collective agreements and our members are contributing at least 4% into the plan. The ORPP is 1.9% and 1.9% and—

**The Chair (Mr. Peter Tabuns):** You have a little less than a minute. Go ahead, please.

**Mr. Jim Doornbos:** Pardon me?

**The Chair (Mr. Peter Tabuns):** You have a minute to go.

**Mr. Jim Doornbos:** Okay. Also from our perspective, from the type of plan that we have, a defined contribution plan: It's pooled investment risk where there is one balanced fund for everyone; it is not individual choice, so the rate of return that I quoted of 9.49% after expenses is what every participant in our plan achieves. They're not left up to their own devices for investing.

**Mrs. Marie-France Lalonde:** For instance, if I'm working and at 65 or at 50 I decide to retire, can I have access to that fund?

**Mr. Jim Doornbos:** You have to be at least 55 in order to be considered of retirement age. Access is driven by existing legislation. So it's not simply where you can pull the money out and take the cash and run. You have to transfer it into a locked-in vehicle—

**The Chair (Mr. Peter Tabuns):** I'm afraid the time is up and I have to go the next questioner.

**Mrs. Marie-France Lalonde:** Okay. Thank you for that.

**The Chair (Mr. Peter Tabuns):** Official opposition. Mr. McDonell.

**Mr. Jim McDonell:** Thank you. A couple of things. Let's be clear. The federal government has not ruled this out. They just don't believe that now's the time.

You have a plan now that has been fairly successful. This legislation will replace your plan with theirs. Would you think that you'd be happy with that? That's the issue. There are many good plans out there. This will replace yours. Would you be as happy? Do you think you'll get the 9.5% return and all the other benefits? There's no question: Your premiums will be shared among people who aren't paying into it; there is a group of people who belong to it who aren't making enough money to contribute. Since the government is not adding money to it, in their own words, it will be self-contained. This is what we're looking at, and these are some of the issues that we see with it.

**Mr. Jim Doornbos:** Right, and I think that in our submission and in our comments the approach we took was to say that, overall, the approach that the government has of focusing on improving retirement savings is a good approach. Yet to take an approach that simply sets aside one type of plan because of the type of plan, versus the style and how the plan is set up, is a concern that we have with it. Therefore, our request: Don't do the comparable plan purely on the basis of plan type—DB—look at the nuts and bolts of the plan and how it's put together. We believe our plan is a comparable plan.

**Mr. Jim McDonell:** So if this legislation goes through—I mean, I have some doubts; I've seen amendments not go through with this government before, most times, if not all the time—we're really looking at your plan being replaced with theirs and doing the best they can with money. Now, we've seen some of the quarterly—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Jim McDonell:** —they haven't done that well on the financial side. That's what we're looking at, and we just don't think that's right. There are a lot of good plans out there. We think there are some pooled pension plans that would work, similar to yours. We just don't see everybody basically going this way.

We saw stats that showed that 78% of people who have money for contributions just throw up their hands and belong to it, because it's easy and they're mandated to do it. This is what you're looking at here.

**Mr. Jim Doornbos:** I understand that. I think that our objective is to have a dialogue with the government around looking at ways to amend the bill and look at the plan—how it's structured and what it provides—versus simply looking at DB versus DC.

**Mr. Jim McDonell:** I think I've said before that this is an enabling bill, so we won't see a lot of the details. The regulations will come later.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. McDonell. We'll go to the third party: Ms. French.

**Ms. Jennifer K. French:** Thank you very much. I'm pleased to have you here. My colleague was commenting about the ORPP replacing many of the plans that we see in the marketplace. I think what we've heard today is that we don't know anything for sure, whether it's design details or how it will all shake down. We do know that there will be an impact on the current system and maybe a threat to the status quo.

I appreciate what you have in your submission: "It is with this in mind that we make a recommendation to this committee for an amendment to Bill 56 that would remove the ability for the new legislation to create exemptions for participation."

I think I know what that means, and I appreciate that. Can you expand a little bit, as to why you would—is it to even the playing field; is it so that more can participate? What are your thoughts there?

**Mr. Jim Doornbos:** There are two things with it. From a playing field perspective, there is the competitive disadvantage that if the ORPP would go through as a currently structured DB in, as a comparable DC out, simply as black and white as that, there is a competitive disadvantage. I think our appeal is to take the good of what is recommended and amend that to look at a plan and how it's structured versus the type of plan that exists.

**Ms. Jennifer K. French:** That seems to be what we're hearing, whether it's from the ideology side of things or from the competitive disadvantage side of things. The exemptions create all manner of challenges for everybody, whether you're talking about the individ-



ual who may or may not benefit from the ORPP per se or from the actual plan.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Jim Doornbos:** It would be cleaner if there was no exemption.

**Ms. Jennifer K. French:** And to that end, the idea of there being an amendment removing the section allowing for exemptions makes sense to me, especially as we're still working out the design details and still hearing from people. I wonder if all of my colleagues around the room—what would be your hope?

**Mr. Jim Doornbos:** Ultimately, our hope would be that there are either (a) no exemptions, or (b) an amendment to have exemptions based on plan structure, not based on plan type.

1730

**Ms. Jennifer K. French:** Would it be a matter of benefit as well? Because all of the criteria that you have here are based on the contribution and administration side of things as opposed to the benefit that someone might be getting out of it, whether a part-time or full-time employee.

**The Chair (Mr. Peter Tabuns):** Ms. French, I'm sorry to say that you've run out of time.

**Mr. Jim Doornbos:** Ultimately, it's contribution-driven.

**The Chair (Mr. Peter Tabuns):** Gentlemen, thank you very much for your participation. We appreciate your time.

#### UNIFOR RETIRED WORKERS COUNCIL

**The Chair (Mr. Peter Tabuns):** Our last presenter of the day: Mr. Len Hope. Welcome, Mr. Hope. You know that you have five minutes to speak. There will be nine minutes of questions. If you would identify yourself for Hansard.

**Mr. Len Hope:** My name is Len Hope. I'm the chair of the retired workers of Canada for Unifor. I'd like to thank you for allowing me the time to be able to speak to you and talk about the issue of the ORPP.

I'd like to start off by asking if you know that only 34% of Ontario workers are covered by workplace pension plans—34%. Ontarians, like the majority of Canadians, are not saving enough for retirement. In 2012 there was \$789 billion in unused RRSP room; \$302 billion in Ontario alone.

Canada's retirement benefit programs—namely the OAS, Old Age Security, and the Canada Pension Plan—do not provide sufficient replacement for middle-income earners. The ORPP needs to be universal, with no exemptions. Members in private sector DB plans have too much of their retirement security tied up in a company.

I am a Nortel retiree. We had a good DB plan. I was part of the people who were negotiating the plan a number of years ago. Nortel decided that they would declare bankruptcy, and took the pension plan and gave it to their investors. Nortel pensioners will lose all but 30%

of their pension. I retired with \$814 a month minus 30%, or \$570 a month. Just because you have a DB pension plan doesn't mean that the pension is there forever.

The ORPP should include all Ontarians, including low-income earners. This is the cornerstone of universal coverage. We support Ontario's position to request the federal government to make sure the necessary changes include self-employed workers in the ORPP.

Sixty per cent of Ontarians work today with no workplace pension plan—60%.

Ten per cent of Ontarians at age 65 or older live in poverty, and over 25% of single Ontarians are in poverty.

Women, recent and racialized seniors are at the greatest risk of poverty. The people of Ontario are in need of income security.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Len Hope:** An ORPP with exemptions will create administrative difficulties that will limit the potential for integration with the CPP in the future.

Young workers and young workers' families struggle to save for their retirement. Few can expect to have a workplace pension, and many are precariously employed.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Hope. Questions go first to the opposition: Mrs. Martow.

**Mrs. Gila Martow:** Thank you, Mr. Hope. I think you bring up a very good point, which is that many more of the employment opportunities in the province require self-employment. We've lost huge chunks of manufacturing segments, and a lot of people now have basically been forced into contract work or designated as self-employed, and this doesn't address the challenges they face, not just in terms of retirement but in terms of employment security.

This is just really a comment and a thank-you for coming. My colleague has some comments and questions.

**Mrs. Julia Munro:** Thank you. I think we're going to divide it in three.

I just wanted to comment on your final comment about young workers and young workers' families. My concern is that while they are struggling to save for retirement, this recommendation, this bill, doesn't give us an indication of portability and being able to go from one job to another. I think that misses a huge component that reflects the way people live today. They have several jobs, they have several addresses, and we need to be looking at a system like the pooled one, where it's their money and it goes with them. I think that's missing in this bill. Thank you for bringing it to our attention.

**The Chair (Mr. Peter Tabuns):** Mr. McDonell.

**Mr. Jim McDonell:** Just a couple of points. You make the point that 10% of Ontarians aged 65 and over live in poverty. I think that the numbers I've seen in a study are a little higher than that. But when you look at somewhere over 10% of the population either not working or unemployed or unable to work because of illnesses or whatever, this plan will not help them. If you don't pay into it, you don't get out of it. It's just moving money around. We'll also see higher unemployment

rates, so there will actually be more people without jobs and without pensions than there are today.

You talk about young families trying to survive. This will take money they are trying to survive on and trying to buy a house with. Many people don't have RSPs. They save through other means, through a house—I can't help but think there is \$302 billion in RRSP room in Ontario. Can you imagine what it would do to our economy if people didn't spend that money and actually just put it away for the future? You'd be looking at massive unemployment.

Those are maximums that are available. It doesn't mean it was intended that everybody should take advantage of them. People grow up. We bought a house early. We weren't contributing to an RRSP when we were paying the highest mortgage rates. We had that option. Today, if you don't have the option, you probably won't buy the house, so your savings later on will not be a lot different. We're talking about this plan replacing defined contribution plans—

**The Chair (Mr. Peter Tabuns):** Mr. McDonnell, I'm afraid you've gone through your time.

Ms. French.

**Ms. Jennifer K. French:** Thank you very much, Mr. Hope, for joining us here today. I think it's fitting to have you speak to us last today, to bring back to the front of this conversation the face of our retired workforce. We're talking about future retirees, and it's important to have you here; thank you for bringing your voice. But it's also a reminder. You represent a group of workers from Nortel. When I was at the first government consultation in Kingston, there was also a Nortel worker who reminded us, as you did, that these gold-plated—I use the term tongue in cheek. I approve of gold-plated pensions and wish everyone had one. But gold-plated pensions doesn't mean that they're ironclad—and that the security you and other workers at Nortel thought you were going to appreciate in your retirement was ripped out from under you.

1740

I think that that brings us back to the importance of having that retirement security, whether it's CPP enhancement or a made-in-Ontario program. But thank you for reminding us of that because of the importance of more people being included and fewer being exempted, because your plan would have been considered comparable, potentially, and you'd still be in this situation. So it's a reminder.

My colleague had mentioned people keeping money out of the economy for various reasons and how that impacts our economy, but I would spin that around: Those who don't have a predictable income stream might also hold on to their money and not contribute. What do you think that would look like in your neighbourhood, in your community, with people not having enough to contribute?

**Mr. Len Hope:** The reason that they're not spending money is because they don't have any. If you're looking at the kind of pensions, if you're getting a Canada

pension or Old Age Security, you're not having enough money to really pay for things like food, never mind housing. You have to have food.

Workers find themselves in different predicaments as they go through their life. I think that the predicament that seniors have is that maybe they don't spend money in the economy. If you don't have it, you don't spend it. When you look at somebody who is living at the poverty line or less, if you take \$2,000 and try to spend that, how are you going to save? How are you going to do anything that's going to do anything for working people?

**The Chair (Mr. Peter Tabuns):** Mr. Hope, I'm sorry to say that you're out of time with the third party. Now to the government: Madame Lalonde.

**Mrs. Marie-France Lalonde:** Thank you very much for joining us today and appearing in front of this committee and, I guess, sharing a little bit of your personal situation that you've experienced.

I always refer to myself as a numbers person. These numbers for me are very convincing and at the same time alarming as to why we need to move forward in ensuring that—I think 60% of Ontarians working today have no workplace pension plan, and today we've heard from various groups as to why we shouldn't, or about the exemptions. But when you look at yourself and what you've experienced, I think this is the reason why we have to make sure that, after contributing for a lifetime, you need to feel secure about that investment.

I'm going to ask you a question: Through your experience as a retiree chair, what are you hearing from the retirees you are representing in Unifor right now?

**Mr. Len Hope:** They'd like to have a little bit more money. I'm representing 90,000 retirees in Canada. Out of those people, some of them have a very good pension plan. Others don't have any or a very small pension plan, and what they would like to do is have money, enough that they could put some money away for a rainy day. They would like to be able to do things with their families. They're at a point where they can only do a small amount with their families. They'd like to be able to get more money so that they can contribute with their families.

**Mrs. Marie-France Lalonde:** Would you say that if your members were presented the option of bringing forward 1.9% of their income—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** —to ensure that predictable stream of income when they retired, would you say that that's something that will speak to them positively?

**Mr. Len Hope:** I think so.

**Mrs. Marie-France Lalonde:** I just want to have on record that I think the member of the opposition, just for your own—the portability of the ORPP is definitely part of what we are suggesting in our legislation, just so you know. Thank you very much.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Hope. I appreciate your presentation.

**Mr. Len Hope:** Thank you.



**The Chair (Mr. Peter Tabuns):** I gather, Ms. Martow, that you have a research request that you would like to make?

**Mrs. Gila Martow:** Yes. I wanted to put forward a motion, if everybody would agree, that, seeing as the three leads have been elected just within the last year, if we could get some research on the history and a timeline of the split pension that we keep hearing about today.

**Mrs. Marie-France Lalonde:** Yes.

**The Chair (Mr. Peter Tabuns):** You're all comfortable with that?

**Mrs. Gila Martow:** It doesn't have to be—

**Mr. Bob Delaney:** Chair, it's a broad question. I understand where Ms. Martow is coming from. It's something that the government would be very interested in hearing. May I suggest that at the next meeting of the committee that perhaps she can narrow it down so that Mr. Parker's work is perhaps a little more focused than casting a net of indeterminate width?

**Mrs. Gila Martow:** Okay. So if we could just focus for now on the all-party support for addressing the issue—

**Mrs. Julia Munro:** And wording to come.

**Mrs. Gila Martow:** And the wording—sorry? What's that?

**Mr. Jim McDonell:** You're talking about MPAC.

**Mrs. Gila Martow:** Oh, on MPAC—

*Interjections.*

**The Chair (Mr. Peter Tabuns):** Just before we go any further, can I have some clarification: Are you talking about the matter with regard to CAMH and MPAC?

**Mrs. Gila Martow:** MPAC, yes.

**Mr. Jim McDonell:** Yes.

**The Chair (Mr. Peter Tabuns):** That doesn't actually relate to the bill that's before us.

**Mrs. Marie-France Lalonde:** Not at all. Not at all, and that's what I was going to say. It's nice to entertain the idea, but I don't think it's Mr. Parker's role to ask him. If you're interested, there's probably somebody like your staff—

**Mrs. Gila Martow:** Well, I think that's why they came to speak today. They did give deputations today, and they were accepted to give deputations today.

**Mr. Bob Delaney:** If I may, in the way of a suggestion: While the request on its face is out of scope for the committee, I think you would find that the library would very cheerfully undertake that work for you and perhaps give you exactly what you've asked for.

**The Chair (Mr. Peter Tabuns):** I've got Ms. French, then Ms. Martow.

**Ms. Jennifer K. French:** It's unrelated, so if she wanted to finish that—

**The Chair (Mr. Peter Tabuns):** Oh, yes, then we will finish this; I'm sorry. Ms. Martow.

**Mrs. Gila Martow:** The reason why I see it's related is because what I'm hearing from the gentlemen—and it's not just two people; it's quite a large group of people—is that they're not necessarily against the government moving forward with an Ontario pension plan;

they just want to know why and where they lost out on their pensions. All-party support said that the issue would be resolved and it wasn't resolved. Why wouldn't that be resolved before we looked at creating an Ontario pension plan? Why wouldn't we fix the mistake that was made with their pensions?

I'm just wondering why. I'm not looking to point fingers. There was all-party support. I'm just looking at, at the same time that we're looking and talking about an Ontario pension plan, why we wouldn't fix the—

**Mr. Jim McDonell:** A learning experience.

**Mrs. Gila Martow:** Yes, it would be a good learning experience in terms of how we write this legislation that we're not going to make the mistake again, that we should build into the legislation that this problem can't happen again. I don't know why the problem happened. I'd like to know why the problem happened. I don't think it was intentional. It behooves us to take the deputations and ensure that the mistake isn't repeated.

**The Chair (Mr. Peter Tabuns):** Madame Lalonde.

**Mrs. Marie-France Lalonde:** Mr. Chair, in all fairness, I think we're here to listen to individuals who are coming forward with issues on Bill 56. At this point, we've heard numerous aspects, so to listen to one particular aspect of one small group of people who are raising something very different than what we're here for today—I think my colleague's idea is to maybe go and do that research. As a new MPP, I'm more than happy personally, if I feel the need, to go to the library or ask for clarification among my caucus.

**The Chair (Mr. Peter Tabuns):** I have Mr. McDonell.

**Mr. Jim McDonell:** We talk about this plan being portable. This is clearly a problem with portability issues where the pension was not portable or there was an issue with it—and it was intended to be. It moved from one government pension to another government pension. This was just a failure in the system that was put in place. The contributions were all made throughout their entire career, but because of the way the formulas are written, they're penalized as if they quit and worked somewhere else. I think what all this does is looks at it—you're looking at trying to accomplish this with this new pension act so that this will not happen again.

The point is, why not look at what happened here and get an idea, because there has been all-party support into fixing this problem for the last 12 years, and nothing's happened. We're just looking at moving ahead here, and I'm not sure why you would be against just finding out this information. It's good information for the committee to look at.

**The Chair (Mr. Peter Tabuns):** This is turning into an extremely long request. Is there generally support for such a study?

**Mr. Bob Delaney:** Chair, at the moment there is not a motion on the floor.

**The Chair (Mr. Peter Tabuns):** Well, then—

**Mrs. Gila Martow:** I said I wanted to put forward a motion. That was my first sentence.

**The Chair (Mr. Peter Tabuns):** And you move?

**Mrs. Gila Martow:** I would like to move that we ask Mr. Parker to do a brief sort of just bullet point of what exactly was agreed upon in the Legislature. We don't have to have a history. We understand what went wrong. But what exactly was the wording that was agreed to in the Legislature to fix the problem?

I am concerned that if the plan is to, someday—if this Ontario pension plan does move forward—roll it into the CPP, that again, the transferability is in question, and that we don't see people's total pension being reduced because it was rolled into the CPP.

**The Chair (Mr. Peter Tabuns):** So it has been suggested to me, and it's good advice, would you please put your motion in writing? Colleagues, I would ask that we recess for a few minutes—

**Mr. Bob Delaney:** Chair, as we are near the end of the day, would it be an idea to consider Ms. Martow's motion at the start of the next meeting?

**The Chair (Mr. Peter Tabuns):** I'd be willing to entertain that. Ms. Martow, would that work for you?

**Mrs. Gila Martow:** Okay. So tomorrow? We'll be here at 4 p.m., I believe.

**The Chair (Mr. Peter Tabuns):** We will find a way of fitting it in tomorrow. Ms. French?

**Ms. Jennifer K. French:** Speaking of tomorrow, to your point that some of us are new, the four-hour-long sit or whatever it was today—is there any way of having a halfway recess tomorrow for five minutes?

**The Chair (Mr. Peter Tabuns):** Well, we don't have four hours tomorrow.

**Ms. Jennifer K. French:** Oh, this is true. Oh, yes.

**Mrs. Gila Martow:** Next Monday, we can put in a 10-minute recess—

**Ms. Jennifer K. French:** Yes, if they've already been scheduled. But still, if they haven't, if we could maybe at midpoint—

**The Chair (Mr. Peter Tabuns):** I will work with the Clerk on this.

That all being agreed, we now adjourn until 4 p.m. tomorrow, March 24, 2015.

*The committee adjourned at 1752.*





## **STANDING COMMITTEE ON SOCIAL POLICY**

### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Vice-Chair / Vice-Président**

Mr. Jagmeet Singh (Bramalea–Gore–Malton ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Jagmeet Singh (Bramalea–Gore–Malton ND)

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Substitutions / Membres remplaçants**

Mr. Mike Colle (Eglinton–Lawrence L)

Mr. Bob Delaney (Mississauga–Streetsville L)

Ms. Jennifer K. French (Oshawa ND)

Mrs. Julia Munro (York–Simcoe PC)

### **Also taking part / Autres participants et participantes**

Mr. Jim McDonnell (Stormont–Dundas–South Glengarry PC)

### **Clerk / Greffière**

Ms. Valerie Quioc Lim

### **Staff / Personnel**

Mr. Jeff Parker, research officer,  
Research Services



## CONTENTS

Monday 23 March 2015

Ontario Retirement Pension Plan Act, 2015, Bill 56, Ms. Hunter / Loi de 2015 sur le Régime de retraite de la province de l'Ontario, projet de loi 56, Mme Hunter.....	SP-193
Canadian Federation of Independent Business .....	SP-193
Mr. Plamen Petkov	
Ms. Nicole Troster	
Ontario Federation of Labour.....	SP-195
Mr. Sid Ryan	
Association of Management, Administrative and Professional Crown Employees of Ontario .....	SP-198
Mr. Dave Bulmer	
Ontario Chamber of Commerce .....	SP-200
Mr. Liam McGuinty	
Mr. Scott Boutilier	
Mr. Peter Thachuk.....	SP-203
XYZ Automation.....	SP-205
Mr. Alf Zeuner	
Ontario Nonprofit Network.....	SP-207
Ms. Cathy Taylor	
United Steelworkers.....	SP-210
Mr. Troy Lundblad	
Mr. Alex McKinnon	
Canadian Centre for Policy Alternatives.....	SP-212
Ms. Sheila Block	
OPSEU Pension Trust.....	SP-214
Mr. Hugh O'Reilly	
Canadian Life and Health Insurance Association .....	SP-217
Mr. Frank Swedlove	
Mr. Mike DeVillaer; Mr. Wayne Skinner .....	SP-219
Trillium Automobile Dealers Association .....	SP-221
Mr. Frank Notte	
Downtown GMC Buick .....	SP-223
Mr. Chris West	
Christian Labour Association of Canada .....	SP-225
Mr. Jim Doornbos	
Mr. Hank Beekhuis	
Unifor Retired Workers Council.....	SP-228
Mr. Len Hope	

ALON  
XC14  
-578

Gouvernement  
Publication

SP-10



SP-10

ISSN 1710-9477

## Legislative Assembly of Ontario

First Session, 41<sup>st</sup> Parliament

# Official Report of Debates (Hansard)

Tuesday 24 March 2015

## Standing Committee on Social Policy

Ontario Retirement Pension  
Plan Act, 2015



## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Journal des débats (Hansard)

Mardi 24 mars 2015

## Comité permanent de la politique sociale

Loi de 2015 sur le Régime  
de retraite de la province  
de l'Ontario

Chair: Peter Tabuns  
Clerk: Valerie Quioc Lim

Président : Peter Tabuns  
Greffière : Valerie Quioc Lim



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Tuesday 24 March 2015

Mardi 24 mars 2015

*The committee met at 1602 in committee room 1.*

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Good afternoon, members. In the absence of the Chair and Vice-Chair, it is my duty to call upon you to elect an Acting Chair. Are there any nominations? Mrs. Munro.

**Mrs. Julia Munro:** I nominate Cindy Forster to act as Chair for the next 45 minutes.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Ms. Forster, do you accept the nomination?

**Ms. Cindy Forster:** Absolutely. Yes.

**The Clerk of the Committee (Ms. Valerie Quioc Lim):** Are there any further nominations?

There being no further nominations, I declare the nominations closed and Ms. Forster duly elected Acting Chair of the committee.

**The Acting Chair (Ms. Cindy Forster):** Good afternoon. We are here for public hearings on Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan. Please note that copies of written submissions have been distributed to the committee.

## SUBCOMMITTEE REPORT

**The Acting Chair (Ms. Cindy Forster):** We first have a subcommittee report that deals with organization. I would like to point out that if there is going to be a lengthy discussion on the report, I will have to postpone its consideration until the end of this meeting, if there is time, because we have presenters who are here and scheduled to speak today.

Can a member please read the subcommittee report into the record? Ms. Lalonde.

**Mrs. Marie-France Lalonde:** Your subcommittee on committee business met on Monday, March 23, 2015, to consider the method of proceeding on the order of the House dated Thursday, March 12, 2015, in relation to Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan, and recommends the following:

(1) That requests to appear received after 12 noon on Thursday, March 19, 2015, be scheduled if space is available.

(2) That the research officer provide the committee with an interim summary of presentations by 4 p.m. on Thursday, March 26, 2015.

(3) That the research officer provide the committee with a final summary of presentations by 4 p.m. on Thursday, April 2, 2015.

(4) That, for administrative purposes, proposed amendments to the bill be filed with the committee Clerk by 12 noon on Wednesday, April 8, 2015.

(5) That the committee meet for clause-by-clause consideration of the bill on the following dates: Monday, April 13; Tuesday, April 14; Monday, April 20; and Tuesday, April 21, 2015.

I move that the report be adopted.

**The Acting Chair (Ms. Cindy Forster):** Thank you, Mrs. Lalonde. Is there any discussion? Are the members ready to vote? Shall the subcommittee report be adopted? All those in favour? Opposed? It's carried.

ONTARIO RETIREMENT PENSION  
PLAN ACT, 2015LOI DE 2015 SUR LE RÉGIME  
DE RETRAITE DE LA PROVINCE  
DE L'ONTARIO

Consideration of the following bill:

Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan / Projet de loi 56, Loi exigeant l'établissement du Régime de retraite de la province de l'Ontario.

**The Acting Chair (Ms. Cindy Forster):** So each presenter will have to up to five minutes for their presentation and up to nine minutes for questions from committee members which will be divided equally amongst the three parties. Today we start the rotation of questions with the third party for the first presenter.

CANADIAN MANUFACTURERS  
AND EXPORTERS

**The Acting Chair (Ms. Cindy Forster):** Our first delegation is the Canadian Manufacturers and Exporters: Ian Howcroft, vice-president, and Paul Clipsham, director of policy and programs. Welcome to the committee.

**Mr. Ian Howcroft:** Thank you very much, Chair, and good afternoon, everyone. We're very pleased to be here. As the Chair noted, my name is Ian Howcroft and I am vice-president of CME Ontario division, and Paul is our director of policy and programs. As I said, we're very pleased to be here to provide some comments. You



hopefully all have a copy of our presentation in front of you.

We support the stated objective of Bill 56 to increase the income for Ontarians in retirement, as this will help to foster long-term economic growth and stability for the province. However, we have a number of concerns and there are a number of issues that arise from the current ORPP framework that will ultimately detract from the stated objective. I think we have to look at some of the unintended consequences that we feel will result.

First, I will give a bit of an overview of CME and make some comments on manufacturing. I'll ask Paul to talk about some of the substantive concerns.

CME is Canada's largest industry and trade association. We represent businesses in all sectors of manufacturing and exporting from all parts of the province. Our mandate is to promote the competitiveness of Canadian manufacturers here in Ontario and promote the success of goods and service exporters in markets around the world.

CME members are Canada's leading manufacturers and exporters. Together, they account for approximately 82% of Canada's manufacturing production and about 90% of our exports. Our membership includes some of the largest manufacturers in the country, but the vast majority of our members—85%, in fact—are small and medium-sized enterprises, those that would be most directly impacted by the legislation on the Ontario Retirement Pension Plan. Through our partnership with other associations, we represent approximately 100,000 organizations from coast to coast.

Manufacturing adds more total value to the Ontario economy than it does in any other province. Every dollar of manufacturing output generates billions of dollars in indirect impacts elsewhere in the province. No other sector generates this much economic impact and activity. The manufacturing sector in Ontario has underperformed the national average since the early 2000s. I think we need to recognize this and hopefully take steps to alleviate it.

There have been some positive signs in the last little while. Ontario manufacturers have made strong gains in the first half of 2014; sales finally surpassed their pre-recession peak. Positive signs—but there are many challenges, and these can be in jeopardy.

In Ontario, the manufacturing and exporting sector continues to be the largest business sector with approximately \$275 billion in output and about 800,000 direct jobs in manufacturing, and another 1.2 million are indirectly dependent on manufacturing. Every dollar invested in manufacturing generates about \$3.50 in total economic activity.

Manufacturers and exporters are generally optimistic about the future; however, there are a number of key challenges they have to deal with that threaten our future success. We recently released our management issues survey that highlighted many of these challenges: skills issues, regulatory impediments, and cost of energy supply. I think this is an opportunity to address one of those, and it's the regulatory impediments and barriers to success.

We've made significant progress over the years in creating a competitive tax advantage for Ontario, but that is threatened by some of the regulatory issues that we're dealing with. One of those is the Ontario Retirement Pension Plan. We'd like to make some comments specifically on that, particularly on the definition of what is a "comparable" plan. I'll turn that over to my colleague, Paul, to go through some of those.

**Mr. Paul Clipsham:** Thanks, Ian.

**The Acting Chair (Ms. Cindy Forster):** Just before you start, you have about a minute and a half.

**Mr. Paul Clipsham:** Wow; I'll try and talk fast.

Some of the primary issues that arise involve mandatory contributions, which pose a near-term risk, we believe. The current approach, as Ian alluded to, could result in unintended consequences for plan beneficiaries, including reductions in overall wages and benefits if companies opt to wind down their existing plans that don't meet the definition of "comparable."

I want to just skip to the recommendations: Our preferred approach would be one that is a more incentive-based model as opposed to mandatory contributions, and we can talk about what that would include.

1610

If you're going ahead with the current framework, the preferred approach would be not to have a one-size-fits-all but to expand the definition of "comparable" to include defined contribution-type plans as well as RRSP-type contribution models, which can often be very robust and offer a more significant standard of living in retirement.

We'd also be looking for offsets to the costs, if you're going ahead with mandatory contribution: What are the offsets that could be put in place? We recognize that there has been some work in that area, and we would encourage the government to look at other additional measures on that front as well.

**The Acting Chair (Ms. Cindy Forster):** Thank you, Mr. Clipsham. I'll going to have to cut you off. I'll turn it over to Ms. French from the third party to ask a few questions.

**Ms. Jennifer K. French:** Thank you.

**The Acting Chair (Ms. Cindy Forster):** You have three minutes.

**Ms. Jennifer K. French:** Got it. Thank you very much for joining us here today. I'm here representing Oshawa, so when we are talking about manufacturing, it's obviously a local and a personal area of concern. Thank you for bringing that voice here today.

I don't think there is anyone in this room who would argue that there will be an impact on doing business, but if the ORPP is something that is going to push forward, what are your thoughts on how best to implement that, or how could the government ameliorate the effect?

**Mr. Ian Howcroft:** I'll start. I think the most important thing they could do is, again, look at the definition of what is comparable. I think right now it seems to be defined as only a defined benefit plan. There are many good defined contribution plans out there that now would

be excluded, so companies currently making defined contributions would now also have to make a contribution to the Ontario Retirement Pension Plan, which would have to come from somewhere. You could see some DC plans being wound down or stopped or diminished in their stature so that they can make up for what's now going to be required under the Ontario Retirement Pension Plan. Paul?

**Mr. Paul Clipsham:** I would just add that some of the defined contribution and RRSP-type programs are very robust and would offer a more significant standard of living and quality of life in retirement. For those not to be considered comparable seems wrong, quite frankly.

**Ms. Jennifer K. French:** Certainly when you're looking at comparing the contribution side, I understand that argument, but comparing the benefit side—we're not here to debate pension design.

You mentioned those that offer a defined contribution plan currently, that if that wasn't considered comparable, they'd have to maybe re-evaluate. If there were no exemptions, if no one was considered comparable and therefore exempt, would that make a difference to the—

**Mr. Ian Howcroft:** I think that's going in the wrong direction to do that. What we need to do is make Ontario more competitive so that we build a manufacturing base here. Putting up another cost, another barrier, to retaining and attracting investment, in our view, is completely the wrong way to go. We would certainly not support that type of direction. I think the results would be very negative for the province's economy and for the workers, because they would be the ones who paid the price in the front line as job opportunities were diminished as well.

**The Acting Chair (Ms. Cindy Forster):** Thank you, Mr. Howcroft. We're going to move on to the government. Ms. Lalonde, three minutes.

**Mrs. Marie-France Lalonde:** Thank you very much. Thank you for being here and presenting your comments today. As you know, our government certainly has been very mindful of the impact of the ORPP on businesses. If I look at some of the approaches that we've taken in the last few years—I think about HST; I'm thinking about our having one of the lowest corporate tax rates in North America; and also the introduction of our Better Business Climate Act, that just passed recently—I think we want to work with our businesses. I don't know how familiar you are with the framework that we're expressing, but certainly we want to enrol the businesses in stages, starting with the largest employers. We are also going to phase this in within two years.

Having said all this, if I was to ask you what do you think, from your perspective, the working companies that you represent—what would be the benefits of enhanced retirement savings to the employees?

**Mr. Ian Howcroft:** What we're also hearing is concern expressed by some of our members about their employees. Many of them haven't realized yet that they, too, would be making a 1.9% contribution. Trying to help those who are most in need—those are the ones who can most not afford to make another contribution. They're

already strapped for every dollar they have, and now these people would have to make a contribution to a new pension system. While, again, we see the intent to help people out, it's raising a cost for the employers, and it's going to be raising costs for individual employees. So we're quite concerned about what the reaction for individual employees will be.

**Mrs. Marie-France Lalonde:** Are your current employees under a current plan?

**Mr. Ian Howcroft:** Many of our members offer plans, but I think the vast majority of small and medium-sized enterprises in the province don't have formal pension plans. They've come up with informal RRSP contributions, matching dollars—again, initiatives that would not be considered comparable.

Companies may have to look at what they are providing their employees. The contribution has to come from somewhere. It could be from having to reduce wage increases or having to look at reshaping the RRSP offerings that they've made. Resources are finite, and there is only so much money that companies have.

Again, we always have to be mindful of how we ensure that we're as competitive as possible. You've cited many of the things that we've been advocating and recognized in our written submission—corporate tax rates, HST, capital tax elimination; all great things—but we have to continue to work on the competitive issue, because many of our competing jurisdictions are also offering benefits now. Energy costs in Ontario continue to be a real challenge for us, too.

So when you look at the whole basket, it's a cumulative impact of all the costs. This is going to be another major barrier that we have to be challenged to solve.

**The Acting Chair (Ms. Cindy Forster):** We'll move on to the official opposition. Mrs. Martow.

**Mrs. Gila Martow:** Thank you very much for coming in. We've been hearing a lot of deputations, and what seems clear is that people who support it support it only if it's not going to cost the employees, it's not going to cost the employers and it's not going to cost the taxpayers. So they're dreaming in Technicolor—that that's a possibility.

Do you consider the ORPP a payroll tax? Do you see this as another tax on the businesses that you represent?

**Mr. Ian Howcroft:** There are defined definitions of what is a tax. We hear that this is not a tax. But it's a cost. It's a payroll cost that employers are going to have to bear and individuals are going to have to bear. We would classify it as a tax, but it might not meet the technical definition of a tax. But it's a real cost. It's going to have a real bottom-line impact on businesses and operations in Ontario. Tax or cost—the results are the same for the economy.

**Mrs. Gila Martow:** What percentage of businesses that you represent could handle this type of increase in their payroll expenses?

**Mr. Paul Clipsham:** It's pretty difficult to put a number on it. In general terms, certainly the larger and more sophisticated companies could handle it, and even small



companies could handle it. But what would they need to do in terms of managing those costs? They'd need to look at wage increases, existing wage rates and not investing in other things like innovation and more productive assets in order to manage that. The bigger question is, is this the most effective use of their scarce resources? And what does that do to our competitiveness? Again, it's in that basket of total costs. There are only so many resources to go around. This is a mandatory cost that takes some of that flexibility and decision-making away from the employer. That really gives us some cause for concern.

**Mrs. Gila Martow:** We're hearing from a lot of businesspeople that they're willing to sit down and talk about another expense on businesses when we're at the top of our game, but right now we're at the bottom of our game in the history of Ontario. We used to be the leading force economically in the country—we led Confederation—and now we're at the bottom of the barrel. That's what we're hearing over and over.

I don't know if my colleague has any comments. I think our time is running out.

**The Acting Chair (Ms. Cindy Forster):** You have about 20 seconds.

**Mrs. Julia Munro:** Thank you very much for coming. Your perspective is certainly important.

There is a great deal about this proposal that's mandatory, and I wondered if you would comment on that particular aspect.

**The Acting Chair (Ms. Cindy Forster):** Unfortunately, it will have to be at some other time. Thank you.

**Mr. Ian Howcroft:** Thank you.

1620

#### ONTARIO RESTAURANT HOTEL AND MOTEL ASSOCIATION

**The Acting Chair (Ms. Cindy Forster):** Our next presenter is the Ontario Restaurant Hotel and Motel Association. Would you please state your names for the official record?

**Mr. Tony Elenis:** Tony Elenis.

**Ms. Leslie Smejkal:** Leslie Smejkal.

**The Acting Chair (Ms. Cindy Forster):** You have five minutes.

**Mr. Tony Elenis:** Good afternoon. I'm the president and CEO of the Ontario Restaurant Hotel and Motel Association, ORHMA. With me is Leslie Smejkal, our vice-president of government relations. Thank you for the opportunity to speak to you about ORHMA and the Ontario Retirement Pension Plan.

ORHMA has heard from its membership, and we are very concerned about the impact that the implementation of an ORPP will have on our industry. It is not about revenue growth in the foodservice industry anymore; it's about pressures on the expense lines.

Recently, we were asked: What is a normal profit margin for this industry? Let's analyze the trends, comparisons and key expense drivers to determine if

Ontario is at par. We have also included the accommodations sector in this analysis.

Recent years brought significant increases to specific cost categories that just happened to be the highest hospitality expenditures. Food commodities have skyrocketed and, with this category making up an average of 35% of total expenses, it's been a challenge. The cost from utilities continues to escalate, hammering food-service operators in an industry that ranks first in the highest energy-intensive category. Conservation programs do help, but incentives applied to demand peak times are useless as the industry operates at full throttle during the breakfast and dinner periods. And, there is the minimum wage impact—please, it's not about raising the minimum wage or not; it's about the climate of the industry.

You have graphs in front of you and I would ask you to, please, refer to them.

Exhibit 1 shows that the highest proportion of all minimum wage earners, at 39%, work in the hospitality industry. Exhibit 2 compares CPI increases to the recent minimum wage increases. Four-year increases at 50% while the CPI went up 15.4%. Please make no mistake about it: The last recession being hit with the strain of minimum wage has changed this industry forever.

Let's now view the profit performance. Exhibit 3: Ontario's hotels performed over the national average until 2003 and now continually underperform the national benchmark. Exhibit 4: The foodservice industry in 1990 performed at a 9.6% profit margin and dropped by 56% to 4.2% in 2013. That's the national average. Exhibit 5 illustrates Ontario's foodservice margins against the national average. Every province performs at a higher profit margin than Ontario in both accommodations and foodservice. The graph also shows that the variance between Ontario and the national average widened from only 0.4% in 2001 to 1.4% in 2013.

Consumer confidence and disposable income stimulate the economy more than many initiatives, including governments issuing bonds. This simple economic case can be applied to our industry. Support for profit growth in the industry will result in investment, capital improvements and job growth, benefiting the overall economy, including government revenues.

Exhibit 6 shows the correlation of the impact of foodservice and accommodations margins to Ontario's youth unemployment. While operators have introduced every trick in the book to be sustained at the low margins, the graph illustrates the impact of curtailing new hires with extreme cutbacks on part-time employment. Historically, foodservice and the accommodation industry, along with retail, has been the highest recruiter of youth.

ORHMA's conclusions: There are unintentional consequences. A 1.9% increase to an industry operating at 33% labour costs is a significant new cost to absorb.

There will be further cuts of hiring younger workers, and while the government aims for the well-being of Ontarians, there will be unintentional consequences to employee benefits. Our members have told us that this

will lead to trimming health benefit plans, such as prescription drug and dental plans, as these are typically managed and accounted under one profit-and-loss-state-ment department line.

Please do not get us wrong: A pension plan can be good for society, and we have one already, the CPP. An additional made-in-Ontario pension plan could benefit some later on, but what costs are there today?

**The Acting Chair (Ms. Cindy Forster):** Thank you, Mr. Elenis.

Government members? Ms. Mangat.

**Mrs. Amrit Mangat:** Thank you, Chair. Thank you for the presentation, and welcome to Queen's Park today. As you understand, a significant portion of today's workers are not saving enough to maintain their standard of living. There are many factors, including low personal savings, longer lifespans and low workplace pensions.

Bill 56 is a tool which provides a framework so that we can collectively make an investment for our future. I'm sure that you understand that if we don't save enough and people don't have enough money for their retirement, they will depend on social programs, which we all have to collectively pay for.

Can you please tell me: What do you hear from your employees or communities about the undersaving problem?

**Mr. Tony Elenis:** First of all, as you can see from those numbers, these are very critical numbers. We're in a crisis in our industry. Every pressure on the expenses will have those unintentional consequences that I'm referring to, which means that employers will cut back more, and it will hurt those employees that the government is trying to help.

From the employees' point of view, the make-up of our industry is very much into taking the dollars on their paycheque and spending it on their necessities. There is not enough room right now to support any more than that, both for the employee and the business, at those low margins. If you look at just small business, those profit margins I've shown on the graph, they're even much less than that. You're talking about sustaining a business.

This morning I met with two independent operators running breakfast places. They've said to me, "Tony, last year's minimum wage, which was retroactive to 2010—now I close my restaurant one hour earlier every day." So what is that hurting? It's hurting the employees. It's backfiring, and it's unintentional. I realize that's not what the government is intending to do, but it has been hurting. And those numbers are from Statistics Canada. They're not made up from the industry.

**Mrs. Amrit Mangat:** So do you think that—

**The Acting Chair (Ms. Cindy Forster):** You have 30 seconds.

**Mrs. Amrit Mangat:** —if they save more, there will be a stable income and there will be an economic benefit of that—it will help the consumption?

**Mr. Tony Elenis:** If we were in a conducive, good economic climate, this would be a great initiative, and I believe that many of the business sectors would support

it. But we're not in a good economic climate. We are in a very poor climate. We haven't recovered from 2007-08 yet. Just like the government has a huge deficit, our businesses are in the same predicament. If we weren't, yes, we would support it.

**The Acting Chair (Ms. Cindy Forster):** Thank you. We'll move on to the official opposition. Mrs. Martow?

**Mrs. Gila Martow:** You're talking about exactly what I was going to ask you about, which is that all the indicators are that Ontario is struggling, more so even than the Canadian average, whereas before we were kind of carrying the country on our backs in a way. How do you feel when you're being told that you have to see some of your businesses close, some of your businesses fire employees, because the government wants to roll out a program like this in a poor economic climate? How does that make you feel?

**Mr. Tony Elenis:** I'll tell you something: I see it happening already. This is just another nail in the coffin. I've seen it happening since the minimum wage went up—that 50% over four years, in the worst years of our business generation's life. Every cost is penalizing the industry because 39% of minimum wage earners work in our industry. That's what happened there. It's not about the minimum wage; it's about: How you support the health and prosperity of a business to look back and hire more people and expand and invest more to grow the overall economy?

**Mrs. Gila Martow:** Yes. It's kind of like kicking a business when they're down. I really liked your graphs. I actually thought they were fantastic. What I would invite you to do is, maybe you can do some surveys of your members and how many businesses have cut hours due to the tough economic climate and the very tiny profit margins, and it wasn't because they were angry; it was because they were left with no choice.

Do you have anything to add?

1630

**The Acting Chair (Ms. Cindy Forster):** Ms. Munro? You've got about a minute and a half.

**Mrs. Julia Munro:** I appreciate you bringing the data here, because it's one of the concerns that we have raised all along, about the ability to find that 1.9%. Obviously, this demonstrates the challenge that that represents.

Our figures suggest—actually, the Ministry of Finance figures—came out with job losses. Are you also about to witness job losses if you have 1.9% coming out of the pocket of the worker and the employer?

**Mr. Tony Elenis:** Absolutely. As you can see, the youth unemployment, in an industry that is made up of about 35% youth, ages 15 to 24, correlates exactly with that. The national average also shows that Ontario's youth unemployment is way higher than the national benchmark again, so the two correlate. You can see the graph spiking up and down on it.

We've seen success in the last month. This is just one month after another. But the potential for hiring in our industry that works with people is totally missed.

**Mrs. Julia Munro:** Thank you very much.



**The Acting Chair (Ms. Cindy Forster):** Thank you. Ms. French: three minutes.

**Ms. Jennifer K. French:** Thank you very much for joining us here today. I appreciated how thorough your presentation was, not just with the graphs but the explanation. Thank you.

I had another question about your industry in terms of specifics. One of the things that you'd mentioned is that, maybe not to say historically but, along with retail, the hospitality industry has provided jobs for many youth and part-time workers. Are you finding that your demographics have changed, that it's just not youth when you're talking about your workforce?

**Mr. Tony Elenis:** We're finding that the hours are being cut. They're staying with what they have and managing the store with their core deployment. We have found that out, since 2008.

**Ms. Jennifer K. French:** That some of your workers are not just—they're staying with you longer, or not—

**Mr. Tony Elenis:** They are just concentrating with who they have in the core employees. All the part-time people—and youth being that category, mostly; or seasonal, I guess—have been cut back. That's something that has been said to me on the street, and the indicators are also there in the graphs.

**Ms. Jennifer K. French:** Certainly where I'm from, we've got youth unemployment and youth underemployment. It's not just a struggle; it's a very harsh reality, and I think we'd all like to see a better economic climate.

I do wonder, though, that if those who have a more predictable income stream in their retirement, if they're more or less likely to participate in the economy in terms of going out for dinner or staying in a bed and breakfast and taking a trip. I wonder if we have more people who have that predictable steady security in their retirement—if that may change and have a positive impact on your business.

**Mr. Tony Elenis:** I think if you weigh the benefits, the pros and cons, I guess, of today, it will hurt the business industry more today, and we'll never get to see that.

**Ms. Jennifer K. French:** I'm not arguing the impact. Actually, it would be interesting to hear your opinion on: If this is going to be something that is going to roll out, do you have recommendations on how it could most effectively be implemented?

**Mr. Tony Elenis:** First of all, I would like the word "volunteer," number one, and we need to have exemptions at specific age groups, at specific business prosperity thresholds. The industry cannot take it anymore. I'll be honest with you. I'm going out there and talking to many business people. I have meetings with them. We have chapters across Ontario. You're seeing the industry in a state of crisis.

The minimum wage announcement last week based on CPI, which we supported—and we did not support the retroactivity of it. It's just seeing people—does anyone care about us anymore? Does anyone care about us?

**The Acting Chair (Ms. Cindy Forster):** Thank you, Mr. Elenis. I have to cut you off. I apologize. Thank you for being here today.

**Mr. Tony Elenis:** Thank you.

## HUMAN RESOURCES PROFESSIONALS ASSOCIATION

**The Acting Chair (Ms. Cindy Forster):** Our next delegation is the Human Resources Professionals Association. Welcome to committee. Please state your name for the record.

**Mr. Scott Allinson:** Scott Allinson.

**The Acting Chair (Ms. Cindy Forster):** You have five minutes.

**Mr. Scott Allinson:** Thank you. Good afternoon. My name is Scott Allinson, and I'm the vice-president of the Human Resources Professionals Association, or HRP, as some of you know us by. I'm pleased to have this opportunity to come in front of the Standing Committee on Social Policy to speak on behalf of our members on Bill 56, the Ontario Retirement Pension Plan Act.

As some of you may know, the Human Resources Professionals Association is the professional regulatory body for HR professionals in Ontario in Ontario. It oversees more than 21,000 members in the province and it issues designations that certify knowledge and competence at three levels: the CHRP, the CHRL and the CHRE.

Last spring, HRP surveyed members to gauge their opinion on the proposed Ontario Registered Pension Plan. Based on the limited information the government provided about the plan, 53% of our members surveyed were against the proposed plan.

Last fall, when the government introduced Bill 56, the public had more details about the ORPP. Again, HRP decided to survey its members in January 2015 based on the new information provided on the bill.

Our current survey showed that 55% of our members surveyed, and the organizations they work for, were against the proposed ORPP when asked, and it's a slight bump up from our survey last spring by two points.

Our survey also revealed the following results on the questions that were asked of them.

Respondents to the survey questioned the need for the ORPP when their current workplace benefit plans already exist. In fact, 75% of HRP members' organizations currently offer savings plans to their employees, and more than half of those offer a defined contribution plan.

Of those surveyed, almost half of their employers could not afford to pay up to \$1,643 per employee per year, while 41% said it would force them to either cancel or invest less in their current workplace plan or look at staff cuts.

When we asked members who were employed in companies with more than 400 employees, they were asked if it would be challenging to maintain their existing plans while also incurring the cost of yet another mandatory savings plan, and 45% of those responded yes.

One of the survey questions that received an overwhelming response when asked was, "Are you concerned that it could cost ... taxpayers up to \$200 million a year to

create an agency to administer the ORPP?" Eighty-six per cent of respondents said yes; this was a concern to them.

When we asked what course of action the government should take, 58% said that the Ontario government should continue to lobby the federal government to raise the CPP to close the retirement gap—to have a national plan.

When we delved into the comments that were provided by members—and there was over 800-and-some-odd comments that were provided—about other proposals or models that they could provide, 42% of respondents called on the provincial government to abandon the plan and to continue negotiations with the federal government.

The next most common comment: 39% of those surveyed believed that employer and employees who are already contributing to a workplace plan where contributions are equal to or greater than that required by the ORPP should be exempt if the bill does go ahead and pass.

By not including defined contribution pension plans or group RRSPs in the definition of "comparable," the government would be significantly jeopardizing the health and viability of these plans for employers and for employees' futures across Ontario, and these options were reflected in the survey that we did of our members.

**The Acting Chair (Ms. Cindy Forster):** We'll move to the official opposition. Ms. Martow or Ms. Munro for three minutes.

**Mrs. Julia Munro:** Yes, thank you very much. Thank you for bringing this to our attention today. At the end of your presentation, do you support Bill 56 in its current form?

**Mr. Scott Allinson:** Our members don't, in its current form. The two words that are of major concern right now, what's leading them to not support it, are "mandatory" and the definition of what's "comparable." That's the big factor in regard to our members that responded.

1640

**Mrs. Julia Munro:** Yes, I certainly would agree with you that we've been given an idea of a plan. It's mandatory. But there are a lot of questions that people have raised.

Have you had a sense of how, if brought in in the current form, this would affect the sector?

**Mr. Scott Allinson:** For our members, it wouldn't affect our sectors. Like I said, our members work basically in every manufacturing sector in the province. The majority of those that answered were actually in the manufacturing sector, at almost 20%. Those companies usually have 500-plus employees, when we broke it out. They're having problems with what's going on. They're the ones you would think would be able to absorb it. Our members are saying that it's going to cause more of a headache for them in regards of: Is their employer going to get rid of the existing pension plans that they have? Are they going to cut back? Are they going to abandon it to bring this in? Is it going to mean less hiring? These are all the what-ifs, and those are the questions that haven't been answered in the sense of our members.

**Mrs. Julia Munro:** That's true.

I wonder, too: Does the issue come into the discussion about the fact that you're looking at a 3.8% total cost to this? Is that a factor in considering it?

**Mr. Scott Allinson:** I don't think, in regard to our members, the economic impact would be the factor. It's more, for our members, the administration of it, of whether or not—what's their hiring? How are they going to do their long-term planning or short-term planning for hiring? It throws everything into the mix of: What's next? If this comes in, then the other shoe is going to have to fall, and what is that going to be?

**Mrs. Julia Munro:** So at this point you can't say that there's any particular benefit to the organization. Is that fair?

**Mr. Scott Allison:** That there's no—sorry?

**Mrs. Julia Munro:** There's no particular benefit to your members?

**Mr. Scott Allison:** I wouldn't go that far. I think there is a social conscience side to the survey when we looked into it. For those that don't have the resources to do this, then there might be a legitimate need to have this. When our survey suggests that you have three-quarters of employers that already have defined benefit plans and group RRSP contribution plans that are matched at a certain percentage, that's where the problem arises. These people are already taken care of. There is a component of society that obviously isn't, and this addresses that.

**Mrs. Julia Munro:** Thank you very much.

**The Acting Chair (Ms. Cindy Forster):** Thank you. Third party, Ms. French?

**Ms. Jennifer K. French:** Yes. Thank you very much for coming and speaking with us today, and actually, just sort of on the point that you were just making at the end in recognizing—I don't think anyone in this room would argue that there's a savings problem or a shortfall when we're talking about RRSPs and how much room is left year after year.

It would be interesting to find out if the members who don't support this in its current form—how many of them recognize that they aren't—are they saving enough or are they not, because it does come back to that voluntary-mandatory. Many people don't want things to be mandatory because of the challenge. But the challenge: At the end of their working life, they might wish they'd done something differently. That would be an interesting survey question.

Do you see in this survey, with the members who did support this, or even those who didn't, if they saw the value in the ORPP as being a supplement because on the benefit side of things there would be stability there, as opposed to just the defined contribution model where it's—

**Mr. Scott Allinson:** I don't think they see it as a supplement. The reflection of it is, of working for companies, with our members that do—they do see this as a payroll tax.

I think one of the other associations talked about, "What's the definition of a payroll tax?" They would see



this as an addition to a payroll tax, as a separate entity on the paycheque. I don't think they see it as a supplement. I don't think I ever came across language like that in any of the feedback that we've received.

**Ms. Jennifer K. French:** Certainly, comparing the contribution side, we know that there are many DC plans that have a higher rate of contribution, but we cross our fingers that the markets are going to do something great so when we retire there's that substantial benefit.

I think that it would be interesting to survey members if they have a full understanding of a predictable benefit, not just the predictable contribution. Anyway, I don't know if there's anything else you'd like to add, but thank you for coming today.

**Mr. Scott Allinson:** Thank you.

**The Acting Chair (Ms. Cindy Forster):** Government members: Ms. Lalonde, two minutes.

**Mrs. Marie-France Lalonde:** Thank you very much for coming today and speaking with us. I always like when people present numbers. It always fascinates me to hear your numbers, and they're great numbers. I don't know if you know my numbers; I'm just going to share some of the numbers with you.

We know that only about 34% of Ontarians are covered, currently, by a workplace pension plan. If you look at the amount of RRSPs that are not being used, I believe in 2012, we were looking at \$302 billion in Ontario alone. So I understand that you're saying a CPP enhancement could potentially be a good aspect, but when I think about the downfall of doing nothing at this point, knowing these numbers and looking at the investment that we're making for, I would say, our collective future to ensure that people will retire with dignity, I'm a little bit surprised.

I'm just going to say also that there was a key finding from RBC that 39% of respondents to the survey said that they had put money away for retirement in 2014 only, and 30% said that they had not yet begun saving for their retirement. Maybe your members have the capacity of doing the retirement pension planning and all those aspects, but I guess I'm a little concerned and I would like to hear your feedback on those who don't have anything at this point. What is your suggestion for us?

**Mr. Scott Allinson:** Sorry, you're saying that those who don't have any access to any pension—

**Mrs. Marie-France Lalonde:** Yes; and that's the plan, right? We're proposing for those—

**Mr. Scott Allinson:** As I stated earlier, there is a social responsibility component to this bill which addresses that. Our members—there is compassion there. The numbers are cold; the numbers are hard. But when you read the comments, there is compassion and they understand that there is a segment of society that is vulnerable, that's not there and will never get to a point to have a decent retirement because of where they are in life with their job, savings, what have you.

What concerns them the most is the fact that there has to be some sort of model or solution that's not going to throw the baby out with the bathwater with defined

benefits. The comparable component—that's the missing piece right now. What is the definition of "comparable"? Who will be exempt? Who will not?

They would rather have it as a national program to make it easier than to have it as a separate line—and it benefits everybody. They see that there is a need for this, but how you do it is going to be key, and that's the whole thing: What's comparable?

**Mrs. Marie-France Lalonde:** But I look at—

**The Acting Chair (Ms. Cindy Forster):** Thank you so much. Your time is up.

**Mrs. Marie-France Lalonde:** Thank you.

## CONGRESS OF UNION RETIREES OF CANADA

**The Acting Chair (Ms. Jennifer K. French):** Okay. We're shifting Chairs and shifting gears. If we can have Barry Stevens come and join us. If you could please state your name for the record.

**Mr. Barry Stevens:** My name is Barry Stevens. I represent the Congress of Union Retirees of Canada, Toronto and York region council. I'm the president, and I don't work. I'm retired.

**Interjection:** Lucky you.

**Mr. Barry Stevens:** I am lucky. Thank you.

I'll just start. I've handed out some talking points. We've also handed out a letter that we sent to Minister Hunter. We have met with Charles Sousa's office prior to the budget being presented—before the election. We've been active on this role for a long time. The CLC has been trying to get the Canada pension raised for a long time. We're certainly glad to see this government taking the bull by the horns, as is said, and trying to do something positive for retired people.

**1650**

There's a tsunami of retired workers about to hit. This should have been done 15 years ago, if we had any foresight. Twelve per cent of retirees live below the poverty line.

Retirement security will make Ontario a better place to live and work. It will attract business. People want people whom they know can stay with the company and aren't going to drift away.

Some will say that retiring workers should have saved more. Tell that to single parents. Tell that to low-wage earners or to new immigrants with the problems of adapting to Canada. In fact, many people have no workplace pensions.

At a round table I attended, there were small business owners, much to my surprise, who saw this as a way of helping their employees secure retirement income, to get past it. You can't live just on CPP, OAS and GIS. For a lot of people, the average pension is only about \$550 a month in CPP. Then, with all that added on—do the math—you'll see that it's not a whole lot of money.

This is an opportunity for all the parties to do the right thing for the workers of Ontario. It's not about politics. It should be non-partisan. Most retirees don't get to go on

river cruises or attend theatre. They get to buy food and pay bills, and often have too much month at the end of the money.

Universality is important. In my case, CPP, along with my defined benefit pension plan from my electricians' union, means that I have more than enough money. Although I have applied for OAS, I don't take it because it just gets clawed back, and I don't qualify for GIS. I'm one of the lucky ones. Most people aren't.

The health accord—and this is something that's going to add onto the impetus of why this is necessary at this time. With the federal health accord not being signed and being pushed back to the provinces, this only magnifies the need for retirement funds. Many retirees now, when they go to the doctor, get the prescription and can't afford to get it filled. They don't get the drugs that sustain their life, and they die sooner. Austerity kills, and that's the whole thing.

The fact of the matter is that people who are retired and working at precarious employment don't depend on a defined contribution pension plan. My RSPs lost 10% in the last four months, from October into the end of January—a 10% loss. That could happen to anybody. The market could fall flat, and your defined contribution plan isn't going to be worth the paper it's printed on at that point. You would lose money. If you're losing money when you're up to retirement, now you're maybe having to work, hoping that it will turn around and recover and you stay in the workplace longer than your health should permit, and you don't live in retirement with dignity.

Those are just a few of the points. I'll take some questions. I'm just making a short presentation.

**The Chair (Mr. Peter Tabuns):** You have one minute left, Mr. Stevens.

**Mr. Barry Stevens:** How much time?

**The Chair (Mr. Peter Tabuns):** One minute.

**Mr. Barry Stevens:** Oh, that's perfect. Then we'll just go right to questions, if anybody has any.

**The Chair (Mr. Peter Tabuns):** Okay. If that's the case, then we'll go to Jennifer French, third party.

**Ms. Jennifer K. French:** Thank you very much, Mr. Chair. Nice to see you, and thank you very much for joining us today.

**Mr. Barry Stevens:** Thank you for having me.

**Ms. Jennifer K. French:** Also, it's nice to be reminded of the personal face of this, and thank you for sharing some of the realities faced by your members and retirees.

When you talk about universality, as we know, currently Bill 56 is setting forth exemptions based on plan comparability. I'd like for you to maybe talk about if you have any members who have been members of good, solid pension plans but perhaps their experience isn't a stable or a solid payout. I guess what I mean by that is those who might have been part-time workers or a short time in the plan. Even though the plan is comparable, is their lifestyle comparable to those of others?

**Mr. Barry Stevens:** Let me tell you about my union, which was the IBEW here in Toronto, the electricians' union 353 up at Lawrence and Victoria Park. Even though I have a pension and I worked there for 45 years, both in the field and in the office—those 45 years for me were great, but we have people come from other countries, people who come to the union at a later date, at maybe 50 years old. We have a defined benefit pension plan, but they only get to pay into it for 15 years—maybe 20, if they want to work until 70. But the owners don't want you working past a certain age. You do slow down, and time is money when you're making a living. Not everybody within any union retires with the same amount of pension. It all depends on when you come into that organization. Many unions now, as you know, are being forced to take defined contributions, which doesn't give that retirement security.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** You still had a minute, if you wanted to keep going.

**Mr. Barry Stevens:** I'll keep it short.

**Ms. Jennifer K. French:** I see that you're calling for universality, for more people to be involved. Do you have concerns about who might be exempted based on the concept of a comparable plan?

**Mr. Barry Stevens:** The thing about universality is that when everybody pays in, for those who go over the threshold, you can claw it back, so there's nobody getting a free ride or extra money they don't need. But it allows people in their circumstances, as in changing jobs—maybe from a job that paid \$30 an hour because you were working in a unionized plant and they decided to move down to Chicago or Illinois or something at minimum wage and you're left holding the bag, as happened to some London workers. Now they're forced to work for less. Universality keeps them in the market at a fair price.

**The Chair (Mr. Peter Tabuns):** Mr. Stevens, I'm sorry to say that you've run out of time with Ms. French. Barry, it's good to see you.

**Mr. Barry Stevens:** Thank you.

**The Chair (Mr. Peter Tabuns):** We'll go next to the government. Mr. Anderson.

**Mr. Granville Anderson:** Thank you, Mr. Stevens, for taking time out of your retirement to be here with us this afternoon. You touch on a very good point. Seeing that you're from a union environment, I would have assumed you had a defined pension plan. Why I never really thought of is that, although you do have a defined pension plan, the amount that you get depends on the amount of service you provided.

**Mr. Barry Stevens:** Absolutely.

**Mr. Granville Anderson:** So it makes sense to have an enhancement, which the federal government refused to do, and we decided to have a pension plan to supplement people like that. Could you elaborate to us and explain to us what people are living on and if there is enough in CPP for people to live on currently?

**Mr. Barry Stevens:** I'll tell you—and I won't mention their name, but a friend of mine in the labour



movement, who was very much an activist in her own union with UNITE, the hotel employees' union, when she told me—they don't get a huge retirement. They have a retirement plan at the hotels for the chambermaids and the people who cook and all that sort of thing. Depending on what their income is, they have a pension plan, but it's not rich. It's not a high-paying job. There are lots of unionized jobs, even, that aren't necessarily high-paying. What the workers are fighting for are benefits or conditions, things like that. Money isn't always the prime factor for workers to do that. So you have people at all levels within the economy, and that's why universality is important. Everybody has to get that fair share.

We've lobbied, through the CLC and including CURC—

**The Chair (Mr. Peter Tabuns):** You have a minute left on this question.

**Mr. Barry Stevens:** Through CURC, we've lobbied to increase CPP. It's not happening. So guess what? Your government, the government now—you are the main party, the sitting party—has come up and said, "Okay, we're going to do this. We agree with that." But we do have disagreements as far as: We want it universal and we want it to be all-inclusive.

**Mr. Granville Anderson:** Okay. My next question would be: What about the younger generation? What impact would this pension plan have on them upon retirement? I know it's too late for the older people who have retired.

**Mr. Barry Stevens:** The thing is, it's not about the people who are retired; it's about the people who are going to be coming onto retirement. I won't get any of this money. I'm already retired. But I think what it does—we have to make sure that in the future, particularly with the precarious jobs we have now, where employment is not always secure, even for people with—

**The Chair (Mr. Peter Tabuns):** Mr. Stevens, I'm going to have to move you on because your time is finished with the government.

1700

**Mr. Barry Stevens:** Sorry.

**The Chair (Mr. Peter Tabuns):** No, don't worry. Clocks go quickly. Ms. Martow.

**Mrs. Gila Martow:** Thank you so much for coming in. First, I just want to ask you how you would compare the retirees you were speaking about, who are basically living close to the poverty line or below it, to the working poor, who you were also talking about—single parents who are struggling, immigrants who are struggling, young families who are struggling. Do you see a comparison between the struggles of both of them?

**Mr. Barry Stevens:** I think those struggles exist, and certainly we want to help those people. But the way to help them in the long term is to apply—look, if we don't do something for them now that secures them in their retirement, they're already either close to the poverty line or living on the poverty line.

**Mrs. Gila Martow:** Yes, but if they're already living at the poverty line, do you see that as helpful to take

away 2% of their salary? We had another presenter who said that many of his members in the hospitality industry cut the hours of their employees by an hour a day because the minimum wage went up.

We're not living in a vacuum here, and there are consequences. What we're hearing from so many of the businesses is that if the economy is booming, they can absorb this, but if the economy is not booming, which it isn't, if energy rates are one of the highest in North America, which they are, and for a lot of businesses that's a big cost, if the minimum wage was raised, which it was, then to slap this on top is a nail in the coffin. I'm wondering what you are expecting businesses to do to cope with what many consider a new tax. How do you expect them to cope?

**Mr. Barry Stevens:** It's funny you mention the restaurant industry, and the fellow who talked about that. At my round table there was a fellow from the restaurant industry, and he saw this as an opportunity to give to his workers, because he couldn't run the pension plan himself; he wasn't a large guy, but now they would have more—

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Barry Stevens:** One of the things around that was that he also said, "I pay my employees a little more." He said, "I pay them more so they'll stay." You can't expect people on minimum wage to think that they're needed. They're not. They're exploited. That's what minimum wage does. If people really want to keep people working in an industry, pay them a fair wage and allow them to get a pension plan. The fact of the matter is—

*Interjections.*

**Mr. Barry Stevens:** If I could just talk about the tax thing for a minute: It's not a tax. It's actually an investment and it's good social policy. The other thing about it is that every business in Ontario will be treated the same way—

**Mrs. Gila Martow:** It will be 40 years until we see the results of this, so it's basically on the backs of this generation of workers for future generations. That's what ends up happening.

**Mr. Barry Stevens:** I would disagree with that.

**The Chair (Mr. Peter Tabuns):** Ms. Martow, I'm sorry to say that you've run out of time.

**Mrs. Gila Martow:** Sure.

**The Chair (Mr. Peter Tabuns):** Thank you very much, Barry.

**Mrs. Gila Martow:** Thank you for coming.

#### ONTARIO CONVENIENCE STORES ASSOCIATION

**The Chair (Mr. Peter Tabuns):** Our next presenter, then, is the Ontario Convenience Stores Association: Mr. Dave Bryans. Mr. Bryans, you have five minutes to speak, there are nine minutes of questions, and I'll warn you as you run out of time. If you'd introduce yourself for Hansard.

**Mr. Dave Bryans:** Sure. I'm Dave Bryans. I'm the chief executive officer for the Ontario Convenience

Stores Association. I want to thank the committee members for the opportunity to present a small business perspective on the proposed Ontario Retirement Pension Plan.

I've had the privilege, over my last 12 years of being the CEO of the Ontario Convenience Stores Association, of meeting many of you in different committees. You may have seen the convenience stores weigh in publicly on a number of issues in the last little while that affect our industry, including beverage alcohol, contraband tobacco, over-regulation or red tape, and others.

We've also been pleased to be a partner with the government where we've been aligned. In particular, the OCSA was proud to lend a supportive voice when the government's Healthy Kids Panel or Strategy was launched, and we sat on that panel, and when the new Ontario minimum wage program was introduced, we were part of that, and we supported the government.

Our industry recognizes that maintaining a constructive relationship with government is vital not only to our industry's needs but also to help the government maintain a healthy sector that contributes over \$13 billion annually to the economy. We employ over 69,000 people and we generate for the government \$2.5 billion in lottery revenues alone in the province of Ontario.

Today I'm here on behalf of the 7,500 chain and independent Ontario convenience stores to caution government on the effects the proposed ORPP will have on small business. In doing so, I need to only describe how razor-thin the margins are for these small business operators and how our businesses continue to lose market share in what is becoming a very unlevel playing field.

The main traffic generators for the c-store continue to be tobacco and lottery products. These items have margins of 11% and 6.5% respectively, on average, while most retail channels operate on margins of 50% or above. This is a challenge that our members have had to deal with forever. In addition to being in low-margin categories, both tobacco and lottery sales are in a steady decline. Some would say tobacco is a sunset category for our channel.

As this will not be changing in the foreseeable future, our owners will continue to try and do more with less. Our concern is that the addition of another operating cost is likely to be a tipping point for this industry. Assigning a 1.9% salary tax—and I call it a tax only because this is how it will be perceived and received by our membership—on small business operators will result in store closures, a slowdown in hiring and, ultimately, job losses.

Many employees of convenience stores are students. Many, including myself, supported ourselves in the early years. These are the people trying to work to make a better life for themselves by pursuing education. The ORPP will make it harder for them to save the money they need for tuition, living and food expenses. C-stores will stop or slow hiring of these young people. The result will be an increase in youth unemployment, increases to student debt levels, and potentially lower enrolment in Ontario universities.

Let's talk about the c-store operators for a minute. Many of these people are new Canadians, trying to integrate themselves into our society while creating a modest means to support their families. I've spoken to a few MPPs and staff at Queen's Park here who have admitted that their parents were c-store operators when they first came to this province. These are the people trying to build a better life for their kids so that they can take advantage of the great society we have to offer. Another cost to running their business will force these hard-working families to work even longer hours themselves, taking them away from families and reducing their qualities of life.

I also fear that it may be the last straw for many of our c-store operators, who have seen their margins eroded by a steady schedule of regulations and taxes. With more operators being forced to close their businesses, these folks and their families will wind up on social assistance programs that will end up costing the government a great deal more.

While I respect the decision to tackle the pension problem, I implore this committee to use this opportunity to consider the small business sector in this province.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Dave Bryans:** Specifically, I would encourage this government to explore thresholds that would allow c-stores to continue to operate and hire, as they have been. In doing so, you will also be allowing young people to put everything they make into education, and ultimately getting higher-paying jobs where retirement savings will accumulate a lot faster for them.

My members understand the importance of saving for retirement and agree that the government has a role in helping people do that. My only advice is that this be done in a way that it does not sacrifice one of Ontario's largest employers: the small business convenience stores.

In closing, I ask the committee to review all costs to small businesses and give Ontario's small business tax breaks to offset any future pension costs. As well, may I recommend to move the threshold from \$3,500 to \$20,000, allowing our channel to maintain part-time workers and students.

I thank you for your time.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Bryans. We go to the government. Ms. McGarry.

**Mrs. Kathryn McGarry:** Thank you, Chair.

Thank you very much for coming in, for your presentation today, and thanks for partnering with government. When there are issues that are important to all Ontarians that affect certainly the convenience store operators, I know that everyone appreciates the feedback that your organization is able to give out.

It's a very important subject to all Ontarians. Certainly a lot of the issues that we're seeing with those folks that have not been able to save for their retirement, who haven't got enough funds to retire on right now, do affect everything. It does affect us as a society, because those who aren't able to sustain themselves or care for them-



selves end up on social programs that we all end up paying into. I think that that's an important point to make. It's incumbent upon all of us to look after those who end up in a place where they don't have enough retirement funds.

I know that our government has done a lot of consultation, and I know that in order to offset some of the issues that business is facing, one of the things that they have decided to do is to introduce the ORPP in 2017, at a time when the federal government is expected to reduce EI premiums. That should help offset some of the costs.

I also wanted to point out, too, that in phasing in and implementing the ORPP, the large employers will be enrolling first and contribution rates will be phased in over two years so that it gives businesses, especially small businesses and family-owned stores, time to accommodate.

1710

I do want to point out again that 60% of Ontarians working today have no workplace pension plans—

**The Chair (Mr. Peter Tabuns):** One minute left, Ms. McGarry.

**Mrs. Kathryn McGarry:** So when you're looking at the cost to society, it really is an issue, but it would also affect the convenience stores. My question would be: How would decreased consumption among a large group of seniors who haven't saved enough impact economically on Ontario convenience stores? Or put another way, how might a secure retirement for Ontarians economically benefit Ontario's convenience stores?

**Mr. Dave Bryans:** Interesting question, and I thank you for all your points and thank you for the considerations. I know that in those meetings I've heard that. But the bottom line is, it will cost jobs, and that's what my message is today. I can't forecast what seniors are going to do with their pension; thank you to the federal government for reducing UIC. But my whole point to everybody today is and will always be that if you set it at \$3,500 it will cost part-time workers their jobs. Students will not be working in our channel; our members will work longer.

**The Chair (Mr. Peter Tabuns):** Mr. Bryans, I apologize. Your time is up. We'll go to the official opposition. Ms. Munro?

**Mrs. Julia Munro:** Thank you very much for coming here today. You talked about some of the issues around Bill 56, so I would just ask you: Do you support Bill 56?

**Mr. Dave Bryans:** Let's put it this way: I support the direction it's going; I'm just asking to make some adjustments to it. I believe people should have pensions in Ontario, I believe my children should and I believe new Canadians should. But I also believe that at the \$3,500 threshold you're going to cost a lot of young people their jobs, including summer students. That's a sad statement I have to make on behalf of our members, because most of them are new Canadians and they'll just work, instead of 12 hours, 13 hours, and they will let those people go.

There is a lot of good merit in having a long-term pension; I'm not opposing that, but I'm saying that there have to be some changes made to it.

**Mrs. Julia Munro:** Given Ontario's economy, do you think it's the right time to introduce this?

**Mr. Dave Bryans:** In our business, it's never the right time to introduce anything that's costing us more money because we can't seem to correct all of the small-margin issues we have. At this time, no, but if it's going forward in 2017, as has been explained by the member, as long as we can make some adjustments, you can be pretty sure I'll be standing and supporting everyone in this room.

**Mrs. Julia Munro:** Can the businesses afford a 3.8% increase to their bottom line?

**Mr. Dave Bryans:** No. Lottery is 6.5%, our biggest traffic generator, and now you have to give 3.8% of that up. I have a feeling some of them are going to have to close and those terminals removed.

**Mrs. Julia Munro:** Very important.

**Mr. Dave Bryans:** Yes, very simple. I'm not a mathematician, but I can tell you that we're working on very thin margins. Any other costs—the last minimum wage I supported did cost us a lot of money at one time, but now it's predictable.

**Mrs. Julia Munro:** Okay. Thank you.

**The Chair (Mr. Peter Tabuns):** You have a minute.

**Mrs. Gila Martow:** I just wanted to ask if you would support this if it was just voluntary instead of saying, "At a higher salary; \$20,000," because then I worry that if you have it at \$20,000—if somebody is making \$19,000, they'll just never make over \$20,000. They'll keep them under \$20,000 rather than have to invest in generations ahead.

**Mr. Dave Bryans:** That's a hard answer for me because I think a lot of our employees don't make \$20,000 and I don't think many of them ever will because we are on a bigger part-time basis. I think the families that run the stores might relish the opportunity to contribute.

**Mrs. Gila Martow:** Yes, okay.

**Mr. Dave Bryans:** There is no magic wand to this. All I'm saying is that something should happen, but let's make sure we have a proper discussion, and I appreciate that.

**The Chair (Mr. Peter Tabuns):** Thank you very much. Ms. French?

**Ms. Jennifer K. French:** Thank you very much.

Thank you for joining us here today at Queen's Park. Also, as you reminded us in your letter, we appreciate you having been involved in various consultation processes. It's important to bring all of the voices to the table.

I certainly remember growing up in a neighbourhood that had a convenience store. I spent every penny that I had there, back when pennies were things you could spend—simpler times.

I can only imagine how challenging it is to do business on a regular basis. I think we appreciate that there will be a change and a challenge. But as you said, people are

trying to do more with less. I think we see that across the spectrum: that those who are trying to do more with less, as they're facing retirement or as they're in their working years—it's challenging across the board. That's a challenge for the government, to find ways to make it easier for all of us all the time.

However, I would actually like your input, while we've got you, on the phase-in and implementation part of this. While it's not inherent in this bill, we know that that's proposed. What are your thoughts on that?

**Mr. Dave Bryans:** The further out the better for us, no question, because it would allow us to adjust. Small businesses—I don't know how many will be left. As an example, in Ontario, we've lost 10% of all convenience stores over the last two years; about 1,000 have now closed. If you compare that to the United States, a very robust economy that seems to be doing well, last year they had 1.4% growth in total convenience stores in the United States. We're in dire straits here.

The longer and the further out, the better, and again, look at some exceptions that allow us to continue the employment of those young people. I had my first job experience, and many of your friends probably did, in a local convenience store.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** And as we've said, it seems, especially as we're in an uncertain, challenging economy, that it's never the right time to start a program, but there's no time like the present to start a positive initiative.

But you've given some thoughts on some of the design details, and so many of them have yet to be determined. We don't know what this will look like—we can guess—but you were talking about the thresholds, and you had an opinion on that, if you'd like to expand on that.

**Mr. Dave Bryans:** Most people would make somewhere between \$7,000 and \$20,000 working in the convenience sector part-time. If you were to put that at the \$3,500 level like CPP—I'll just use that as an example—you'd probably eliminate a lot of jobs, because we would not hire those students. We just couldn't afford to pay 4%—2% to them and 2% to the fund—and families will make their own decisions.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that we've run out of time. We're going to have to go to the next speaker.

**Mr. Dave Bryans:** That's okay. Thanks, everyone.

#### PORTFOLIO MANAGEMENT ASSOCIATION OF CANADA

**The Chair (Mr. Peter Tabuns):** The Portfolio Management Association of Canada: Katie Walmsley. Ms. Walmsley, as you may have heard, you have five minutes to speak and nine minutes of questions, and I'll let you know when you're getting close to the end of the time. If you'd introduce yourself for Hansard.

**Ms. Katie Walmsley:** I will. Good afternoon. My name is Katie Walmsley, and I'm the president of the Portfolio Management Association of Canada. Joining me today is Tom Johnston, a former vice-chair of our board and also a former CEO of a large pension asset manager.

PMAC is comprised of over 200 firms that are primarily the major managers of assets for pension plans, both DC and DB, across Canada. Our comments today will focus on two key points: feedback on the current ORPP design and recommendations that the government basically focus their efforts on Bill 57, the PRPP, as the primary solution.

I'll start with ORPP. We strongly urge that the government consider expanding the definition of a comparable work plan to include defined contribution plans and group RRSPs.

Some stats on DC plans: 47.9% of all registered plans in Ontario in 2013 were DC plans. A Towers Watson global asset management study revealed that, in a 10-year period, DC plans have had an annual compound growth rate of 7%, compared to 4% for DB plans, and many DC plans have a mandatory contribution rate well in excess of the 1.9% contemplated by the ORPP.

If DC plans are not included, we believe that there are going to be many detrimental consequences for many employers in Ontario. I'll focus on two of these. The first is Ontario-only employers. They're going to need to conduct a thorough analysis if they have a DC plan, in terms of the additional layer of costs and whether they continue the DC plan or abandon them altogether. From the employee perspective, there is less choice with the DB plan, as the ORPP contemplates, versus a DC plan.

Multiple-province employers have the added complexity of dealing with the fact that they try to equalize benefits across Canada, and they're going to need to make a decision of whether they continue their DC plan, abandon it altogether or do some type of equalizing formula.

Other design issues, which I think other submissions have included: We suggest that there be further analysis on the strain on businesses and the public addition of the payroll deduction, particularly on low-income earners. We also believe that the introduction of the ORPP is going to tilt the balance of responsibility from individual savings to government, which is a concern.

In summary, it's PMAC's view that DC plans should be included in the comparable work plan definition, and at the very least, those plans that have the equal or more contribution rate of 1.9% should be considered a comparable plan.

1720

The second point I wanted to make today is suggesting that the government shift their focus to the PRPP as the primary solution. Why PRPPs? As I'm sure you're well aware, there has been a lot of conflicting research published in terms of how much of an under saving issue there is and different statistics on how big of a problem this is. If there's a common ground in these studies, I



believe it's that there are specific segments of the population for which there is an undersaving issue. We believe the PRPP provides a more targeted solution to address that segment of the population, as opposed to the blanket solution ORPP provides.

There has been vast progress and national momentum with PRPPs. The majority of provinces have either passed or are on their way to passing legislation to see this new low-cost workplace saving plan adopted. If the government is concerned with uptake of PRPPs, I think there are two options. One is, it could be considered mandatory for employers that don't have some type of savings option.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Katie Walmsley:** Thank you—and secondly, if the mandatory option is not considered desirable, introducing some type of tax incentives to encourage employers and employees to participate in a PRPP plan, which we've detailed in our written submission that I believe you've received.

In terms of time to implement, there's already well-developed infrastructure set up for PRPPs, which would make the time to implement and to start solving this problem much quicker.

Some concluding comments: We urge the government to reconsider the ORPP proposal and shift its focus to PRPPs as a lower-cost solution with flexible savings options that could be targeting Ontario residents where there are inadequate savings. We fear the ORPP is going to shift the responsibility too much towards the employer at a time when there are so many positive developments in financial literacy programs that have really moved Canadians forward in terms of taking personal responsibility.

**The Chair (Mr. Peter Tabuns):** Ms. Walmsley, I'm sorry to say you've run out of time.

We go first to the official opposition. Ms. Munro.

**Mrs. Julia Munro:** I appreciate your comments on the two issues that you've brought forward here today. The first question I would ask you: In the current form—since that's what we're looking at—do you support Bill 56?

**Ms. Katie Walmsley:** Not in its current form—our main criticism being the definition of comparable work plan excluding DC and group RRSP plans.

**Mrs. Julia Munro:** Is part of your concern the fact that this money that would be in the defined contribution category is privately managed? Is that the case at this point?

**Ms. Katie Walmsley:** No. Our membership manages money for CPP, for defined benefit pension plans, defined contribution plans, personal RRSPs, so we're sort of neutral in that respect.

Our main concern, I think, with ORPP is the fact that there's already Canadian growth and worldwide growth in DC plans that are in some respects comparable and a larger level of benefits than an ORPP would provide.

I don't know if, Tom, you want to add anything.

**Mr. Tom Johnston:** I would just add that with 47% of plans in Ontario as DCs, representing about 400,000 people—and that's a statistic from the consultation paper—against a universe of three million people that you'd like to bring into the ORPP, there's going to be a huge amount of upheaval.

DC plans, the Towers Watson study has shown, do work. There are some well-designed plans with very thoughtful target-date investment solutions.

We think that it's an unnecessary implication when there are plans that are working well. If there are individuals without plans, that's an area we can look at. But to roll back all the DC plans, you're going to have people potentially closing them down, selling assets. There will be all sorts of issues with FSCO filings and CRA, with pension adjustment revenues, and more importantly, the time to build up a new infrastructure. You can achieve the policy objectives through a PRPP.

**Mrs. Julia Munro:** Yes, I appreciate—

**Mr. Tom Johnston:** One other thing I guess I would note is that the paper does a very good job of trying to define the three pillars. Obviously, again, the GIS, OAS and the GAINS is pillar 1—

**The Chair (Mr. Peter Tabuns):** Sir, I'm sorry to say this, but you're out of time on this round of questioning. We go to Ms. French, the third party.

**Ms. Jennifer K. French:** Thank you very much for coming and presenting to us today at Queen's Park.

One of the things that you said most recently, that you can fulfill the policy objectives with the PRPPs: I wonder if PRPPs are going to be able to fulfill sort of the humanitarian side of it—maybe that's the wrong word, but the savings objectives and the stability objectives.

I know we have actually in the last couple of days, at hearings, talked about the pooled options. Of course, we know that with a regular pension, that's part of the appeal, the pooled nature of it, acknowledging PRPPs and group RSPs—that that might be a step in the right direction in terms of pooling assets and growth. I would certainly have concerns, though, that—do you not see a benefit to having the pool grow by having obligatory contributions by employers, whereas with the PRPPs it's on the backs of the employees only to contribute to these plans?

**Mr. Tom Johnston:** It's a good question that you raise. I guess it ultimately comes down, philosophically, to who has the responsibility to look after their retirement. In the broadest scheme of things, we have about \$1.6 trillion in pensions in Canada. We have about \$1.4 trillion in group RSPs and TFSAs that are growing by \$70 billion a year with new contributions. But beyond that—and this is the point I was going to make before; it was not in the paper—there are pillar 4 and pillar 5 assets. So there is another \$2.1 trillion of unregistered savings—

**The Chair (Mr. Peter Tabuns):** You have one million left—one million? One minute left.

**Mr. Tom Johnston:** —and another \$3.6 trillion in non-financial assets, in terms of housing. I respect the question, but it really does come down to that.

There is a contention that if individuals save and utilize the savings plans that are available federally and they contribute, themselves, into a pooling vehicle, they will be able to meet retirement needs.

I would urge all the members of the provincial Parliament to read, and you probably have already, a really great paper put out by McKinsey; it has been done over a number of years. It has essentially looked at all of these pillars—not just pillars 1, 2 and 3, but 4 and 5—and it has basically concluded that 83%, or four out of five Canadians, are—

**Ms. Jennifer K. French:** Is that the one that they can maintain their current—

**Mr. Tom Johnston:** Can maintain their consumption level.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that your time is up and we have to go to the government for questions. Mr. Dhillon.

**Mr. Vic Dhillon:** Thank you very much. Your organization represents portfolio managers whose task it is to manage the money of people who I'm presuming are in a better income bracket and who know, or have a better knowledge of, the financial tools available to them: RSPs, TFSA's etc. But we know that the average worker for whom this bill is intended is not saving enough. There are billions of dollars in unused RRSP space.

Would you not agree that it's the government's moral obligation to take action to ensure that when these people retire, we have a plan in place for them to have reasonable financial retirement accommodation?

**Ms. Katie Walmsley:** I'll just clarify again who our membership is. Our membership manages money for pension plans, non-profit foundations and private individuals on every spectrum, including mutual funds. So we really are covering the full population, including managers of CPP.

In terms of the options available—and in our detailed paper we submitted a number of solutions which we think could also help achieve the government's objective. We believe the government does have a responsibility to ensure that Canadians have a certain minimum level of savings, be it from the T1, 2 or 3—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

1730

**Ms. Katie Walmsley:** But I think some of that can be on a voluntary basis; some of that can be through more individual choice. We support PRPP because it does provide more individual choice. There are a number of other recommendations we suggest in terms of financial literacy programs and encouraging financial planning.

When I reviewed your consultation paper, some of the basic facts in there in terms of how much income Canadians need to retire—I'm sure there's a portion of the population that isn't aware of that and hasn't done that basic exercise—that kind of focus on education and literacy and the shared responsibility between government programs and individuals' responsibility.

**Mr. Vic Dhillon:** In your review, you mentioned the comparable work plan. I just wanted to state on the

record that that was discussed only in the consultation process, and that is—

**The Chair (Mr. Peter Tabuns):** Mr. Dhillon, I'm afraid your time is up.

Thank you very much for your presentation today.

MS. DONNA MARX

**The Chair (Mr. Peter Tabuns):** We go to our next presenter: Donna Marx. Donna, can you speak up so I can hear that the connection is live?

**Ms. Donna Marx:** Yes, Donna.

**The Chair (Mr. Peter Tabuns):** You're there? Great.

**Ms. Donna Marx:** Yes.

**The Chair (Mr. Peter Tabuns):** Donna, you'll have five minutes to speak, and then there will be nine minutes of questions rotated through the parties. If you'd just state your name for Hansard, we'll go from there.

**Ms. Donna Marx:** Donna Marx. Wonderful.

Art Eggleton came to Guelph, and I heard what he said—no doubt you have too; he certainly studied this—and our friend Ryan Meili, I believe, who's an adviser expert at EvidenceNetwork.ca, a family physician in Saskatoon and founder of Upstream: Institute for a Healthy Society. I recommend that, certainly.

I started out with Canada Savings Bonds as a young person, but my husband got real sick on Port Colborne nickel oxide and died young with brain aneurysms. My second husband fell—I only found out recently—back in 1975: 55 feet.

There weren't provisions for widows and orphans at all. If you did go to the tribunal at 2 Bloor, there were three people on the tribunal—Jesus had 12. It was quite something to deal with them twice. Frank Adam Electric out of Burlington said, "Widows get nothing." So it creates real hardship.

I was working and going to university. If you're in public housing, you can get moved out very quickly if you're given your notice. It happened four times, and I left the apartments and townhouses in better shape than the day I moved in.

If you have dishonest employers—and I'm not going to say who, but they were paying a dime an hour. You can sell real estate without a licence for buildings that haven't been lived in because you don't have to title-search the deed. The employer would come in: "I sold it." So did a girl from Alberta. I didn't know what he was doing. It took me a few years to figure it out, but he'd take the order in, write it up, and we didn't even get our little 1% commission. There's no one to report these things to, so some people have real hardship.

My parents had been in business four times and profit-shared with people, and put all the ductwork in churches at Calvary United in Kitchener and so forth. My dad had a brain injury from a fire in South Porcupine in 1940. Then something terrible happened in 1978. I'm not going to go into it; a son was injured.

Some of us are supporting other people for years and years who have had nervous breakdowns, or even an



abandoned grandchild. I'm so glad you were able to look after pension money for people down the road, but there's no leverage—for instance, if a person has a hardship fund, there isn't even \$300 for people to move anymore. I was with social workers out of Waterloo and Orangeville recently, and there isn't even an emergency stipend for people who are the have-nots to move.

I want to get into business in entrepreneurial and innovative things, and I will, because I'm going to press forward till I succeed. I like to give back. But even then, it's very hard doing innovative things and entrepreneurial things. At an innovation centre, a chap might say, like when you're talking to Dragons' Den, "What is it?" I said, "I can't tell you unless I have a lawyer here, signatures and witnesses and things."

People aren't really listening. They're very, very often taking a step forward when they really shouldn't be at that particular time. I hope, with important things like health, because that has to do with our income—and if a person has an accident or an ouchie like I had because in Guelph we don't have an infrastructure, and somehow we don't have bylaws so you have wasps in the apple trees—got badly bitten. All our pavement is broken, including at the Homewood Health Centre, and nobody ever fixes it.

**The Chair (Mr. Peter Tabuns):** Ms. Marx, you have one minute left.

**Ms. Donna Marx:** So there's a lot of hardship. There has got to be some kind of hardship fund for the have-nots who are not using it in the wrong way.

Thanks very much. God bless you all, and happy Easter.

**The Chair (Mr. Peter Tabuns):** Thank you very much. We'll go to questions. The first question is to Ms. French, third party.

**Ms. Jennifer K. French:** Donna, thank you very much.

**Ms. Donna Marx:** Thank you. God bless you, and happy Easter.

**The Chair (Mr. Peter Tabuns):** Government, do you have any questions?

Donna, are you on the line? I don't think I have questions from the government. Do I have questions from the opposition?

**Mrs. Gila Martow:** Just happy Easter, and we wish her well.

**The Chair (Mr. Peter Tabuns):** Thank you very much, Donna. We appreciate your taking the time.

**Ms. Donna Marx:** Thank you so much. Bless you.

#### INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

**The Chair (Mr. Peter Tabuns):** We'll go to our next presenter: the International Association of Machinists and Aerospace Workers; Louis Erlichman. Have a seat, Mr. Erlichman.

Mr. Erlichman, you have five minutes and then nine minutes of questions. I'll warn you when you're running out of time.

**Mr. Louis Erlichman:** Thank you for the opportunity to appear on behalf of the machinists' union, which represents over 10,000 members in Ontario.

I'm going to go right to the gist, I hope. It looks like I'm the last person you're listening to today.

**The Chair (Mr. Peter Tabuns):** You are.

**Mr. Louis Erlichman:** So you'll probably be happy if I am quick.

We've already made various representations on the ORPP to the government in various places.

This ORPP is happening because the federal government stood in the way of expansion of the CPP, for which there has been a strong provincial consensus. So it's kind of a second-best solution from the Ontario government, I guess from the government's point of view. Until we have a better federal government to deal with, the ORPP will have to do. For that reason, it's very important that the ORPP as closely as possible mirror the CPP so that when we do get improvements in the CPP, which we expect, it will be easier and possible to directly roll the ORPP into the CPP expansion.

Unfortunately, when the government introduced not this particular legislation but the ORPP concept in the budget last year, they included an opt-out provision for so-called comparable plans, which is fundamentally incompatible with the CPP model, which is essentially a universal mandatory plan. This is highly problematic.

First, there's no such thing as a comparable employer-based plan to social security. No private employer can match a public benefit for coverage, for security, for indexing or for costs. Social security is something the government does better.

Second, any kind of opt-out provision you put in adds whole extra levels of complexity and cost to the ORPP administration. A problem already in terms of the ORPP, because the federal government is being unco-operative, is that it's going to be an expensive thing to set up. It will not be able to fit into the CRA and various other mechanisms that are used for the CPP. This adds a whole other level of complexity if you have the opt-out.

The opt-out has the potential to undermine funding because you have the possibility of negative selection: The more expensive people opt in and the less expensive people opt out, which is problematic if you're trying to do your actuarial calculations in the long run.

Basically, the opt-out is a very bad idea. It may very well undermine CPP expansion. If it was supposed to be a gateway to CPP expansion, it may operate in the wrong way.

1740

I guess the objections raised, and reasons for the opt-out, are that there are these other workplace plans. In 1966, when the CPP was introduced, employers and workers adjusted. They integrated plans. In some cases, they shut plans down, which was unfortunate, but they

integrated plans. There will be an opt-in timetable to do that.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Louis Erlichman:** Basically, a universal, mandatory plan levels out the playing field. It covers all the workers. We've got a situation now where we have more and more workers, over longer and longer periods of time—sometimes an entire career—in contingent employment, and it's going to be really problematic to figure out how you might work them into a scheme that has opt-outs with employers and everything else. It's actually a better deal for small employers, who really have no hope of setting up any kind of useful plan on their own.

Basically, I think, in terms of Bill 56, our recommendation would be that you delete references to the comparable plan and the opt-out for a comparable plan. They're in a couple of places, which you probably know better than I do. That's my presentation. Thank you.

**The Chair (Mr. Peter Tabuns):** Okay. Thank you very much. First question goes to the government: Ms. McGarry.

**Mrs. Kathryn McGarry:** Thank you very much for coming in for your presentation today.

I represent the riding of Cambridge. We actually have a very large aerospace manufacturing sector in Cambridge, so these are the kinds of companies that have them. Com Dev, Héroux-Devtek, and a number of other different companies make up our manufacturing sector. So I appreciate your comments today.

I think you've been in the room long enough to hear that there is concern that 60% of Ontarians are not able to save for retirement. Many of the small companies and small business employers are not able to provide an employee pension plan in their own business. So this is a way that ensures that all of us are collectively ensuring that our family members and our employees and retirees are able to retire with dignity at the end of their work life. It also means that it sort of relieves some of the pressures that will be on our social programs if people have not put enough aside.

I know that you were talking about the CPP and how the ORPP is going to match up. Certainly, I just wanted to confirm with you that the Ontario Retirement Pension Plan is certainly modelled after, and will mirror, the way that the Canada Pension Plan has rolled out.

I also did want to point out, certainly, that our government's preferred approach is the CPP enhancement, but the government is moving forward with the Ontario Retirement Pension Plan because the federal government shut down all discussion regarding enhancing the CPP.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mrs. Kathryn McGarry:** I just wanted to ask you: In your sector, what trends are you seeing in the labour market when it comes to retirement security and what impact does it have on employees and employers now and in the future?

**Mr. Louis Erlichman:** Most of our members are members of workplace plans—in some cases, quite good workplace plans—so you could argue that the opt-out might be useful for them here. Frankly, they don't need it. They don't need the opt-out. The same way as they get good value out of the Canada Pension Plan, they would get good value out of a universal ORPP.

Employers are under pressure—it's difficult to maintain decent workplace plans. At Air Canada, we have gone, for new hires, from a defined benefit plan to a target benefit plan. It's difficult to maintain them. So we very much are in favour of a mandatory universal public benefit expansion.

**The Chair (Mr. Peter Tabuns):** Mr. Erlichman, you've run out of time.

To the official opposition: Ms. Martow?

**Mrs. Gila Martow:** You go first.

**The Chair (Mr. Peter Tabuns):** Oh, Ms. Munro first.

**Mrs. Julia Munro:** You just mentioned the fact that your membership doesn't actually need this piece of legislation, in terms of—

**Mr. Louis Erlichman:** No, actually, I'm sorry. What I meant to say was, they don't need an opt-out. At Air Canada or wherever, where they have a decent pension plan, they can integrate into an expanded ORPP, as they could to an expanded Canada Pension Plan.

**Mrs. Gila Martow:** Right. Would you say that the existing plans they have are, in general, better than this plan that's being proposed? Which way would workers have a better pension?

**Mr. Louis Erlichman:** Well, there's a problem. As I said, there's really no comparable plan. There's nothing. We are the largest union at Air Canada. Air Canada has a good pension plan. They don't have the security that a public pension—ORPP or CPP—would provide. They don't have the indexing that ORPP or CPP would provide. So even in those very good plans, there really isn't comparability. We have problems holding onto them, frankly. Unionized workers in this country, in Ontario, are the exception. The majority of unionized workers are on pension plans. A very large majority of non-unionized workers are not in pension plans. Frankly, non-unionized workers who are not senior executives don't have pension plans.

**Mrs. Gila Martow:** Well, what we're hearing—maybe you could tell me if you agree or not—is that the majority of people are saving for their retirement or have a pension plan, and, actually, a lot of the pension plans that people have are better than this pension plan, and their company has no intention of keeping both plans, so they're going to be trading a better pension plan for a lesser pension plan with lower contributions.

There are a lot of self-employed people that this will not apply to. There's that big segment of the population that we're not addressing.

**Mr. Louis Erlichman:** The problem with self-employed—

**The Chair (Mr. Peter Tabuns):** You have one minute left.



**Mr. Louis Erlichman:** —the federal government has basically refused to co-operate here. The self-employed are covered under the Canada Pension Plan, but this current federal government has refused to co-operate to allow the self-employed to be covered under the ORPP. That is certainly a problem, and that's nothing, presumably, that this current government here can do anything about.

**Mrs. Gila Martow:** I can't speak on behalf of my counterparts in the federal government.

I've been here for a year now—I was an optometrist with quite a bit of staff, managing a clinic—and every single portfolio that I've had the pleasure of looking through has been completely mismanaged. From the gas plants to eHealth—I implemented e-health in my clinic, and I can tell you that it's not rocket science, so—

**The Chair (Mr. Peter Tabuns):** Excuse me, Ms. Martow, you are out of time, as much as I like the line you were taking.

*Laughter.*

**The Chair (Mr. Peter Tabuns):** Third party: Ms. French.

**Ms. Jennifer K. French:** Thank you very much for joining us today—

**Interjection:** I wish I could laugh too.

**Ms. Jennifer K. French:** Well, I was just going to say that I don't think that scandal and mismanagement is a laughing matter.

I will move on to this piece. I'm pleased to have you here.

I appreciate what you're saying: that as we move forward with the design, this should be a mandatory and universal plan. Just so I'm clear: Your recommendation was to remove the exemption clause or the option.

Interestingly, we've been hearing from various businesses as well as from labour and from those with solid pension plans arguing for the same thing: that people shouldn't be exempt. Some of the business community is recognizing that it puts them at a disadvantage. Some are exempt and some aren't. It's interesting that their voices are heading in the same direction there.

As you said, there really is no comparable plan, but even those plans that are the most solid or would provide

the most significant benefit to full-time employees who've been in the plan for a long time—can you maybe speak about individual situations and if it's important for them to be included?

**Mr. Louis Erlichman:** I guess when you talk about getting into this comparable plan issue, it's about an employer having a comparable plan. It doesn't mean that everybody who works for that employer is in fact in that comparable plan and earning a comparable benefit. There are a lot of employers that have different plans to cover different people in different ways. Leaving aside the whole complexity question, people are going to fall through the gaps if you do allow this thing to happen.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Louis Erlichman:** The law allows up to two years for a member, for an employee to—an employer can keep an employee from commencing participation in a pension plan for up to two years. An employer may have what's deemed a comparable plan, but actually people working there are not participating, are not earning a benefit from the comparable plan. Leaving aside complexity issues, there are all kinds of gaps. You don't have the universality that you have in a universal plan like the CPP.

**Ms. Jennifer K. French:** As you said about complexity and logistically tracking people through their various careers and whatnot—it sounds challenging, but is there also going to be a cost associated with exempting, or some plans being exempt and others not?

**Mr. Louis Erlichman:** Obviously, just the gaps—the regulators from across the country are meeting here in Toronto this week, and they're complaining about—I mean, they don't have the resources to do what they do right now, let alone trying to add on something like this.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Erlichman. We've come to the end of the time.

Colleagues, those are all the presenters for the day. This committee stands adjourned until 2 p.m. next Monday, March 30, 2015.

*The committee adjourned at 1750.*











## CONTENTS

Tuesday 24 March 2015

Subcommittee report .....	SP-233
Ontario Retirement Pension Plan Act, 2015, Bill 56, Ms. Hunter / Loi de 2015 sur le Régime de retraite de la province de l'Ontario, projet de loi 56, Mme Hunter.....	SP-233
Canadian Manufacturers and Exporters .....	SP-233
Mr. Ian Howcroft	
Mr. Paul Clipsham	
Ontario Restaurant Hotel and Motel Association.....	SP-236
Mr. Tony Elenis	
Human Resources Professionals Association.....	SP-238
Mr. Scott Allinson	
Congress of Union Retirees of Canada .....	SP-240
Mr. Barry Stevens	
Ontario Convenience Stores Association.....	SP-242
Mr. Dave Bryans	
Portfolio Management Association of Canada.....	SP-245
Ms. Katie Walmsley	
Mr. Tom Johnston	
Ms. Donna Marx .....	SP-247
International Association of Machinists and Aerospace Workers.....	SP-248
Mr. Louis Erlichman	

### STANDING COMMITTEE ON SOCIAL POLICY

#### Chair / Président

Mr. Peter Tabuns (Toronto–Danforth ND)

#### Vice-Chair / Vice-Président

Mr. Jagmeet Singh (Bramalea–Gore–Malton ND)

Mr. Granville Anderson (Durham L)  
Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)  
Ms. Christine Elliott (Whitby–Oshawa PC)  
Mrs. Marie-France Lalonde (Ottawa–Orléans L)  
Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)  
Mrs. Gila Martow (Thornhill PC)  
Mrs. Kathryn McGarry (Cambridge L)  
Mr. Jagmeet Singh (Bramalea–Gore–Malton ND)  
Mr. Peter Tabuns (Toronto–Danforth ND)

#### Substitutions / Membres remplaçants

Ms. Cindy Forster (Welland ND)  
Ms. Jennifer K. French (Oshawa ND)  
Mrs. Julia Munro (York–Simcoe PC)

#### Clerk / Greffière

Ms. Valerie Quioc Lim

#### Staff / Personnel

Mr. Jeff Parker, research officer,  
Research Services

SP-11



SP-11

ISSN 1710-9477

## Legislative Assembly of Ontario

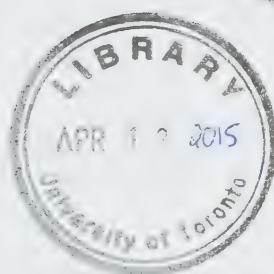
First Session, 41<sup>st</sup> Parliament

## Assemblée législative de l'Ontario

Première session, 41<sup>e</sup> législature

# Official Report of Debates (Hansard)

Monday 30 March 2015



# Journal des débats (Hansard)

Lundi 30 mars 2015

## Standing Committee on Social Policy

Ontario Retirement Pension  
Plan Act, 2015

## Comité permanent de la politique sociale

Loi de 2015 sur le Régime  
de retraite de la province  
de l'Ontario



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
SOCIAL POLICYCOMITÉ PERMANENT DE  
LA POLITIQUE SOCIALE

Monday 30 March 2015

Lundi 30 mars 2015

*The committee met at 1400 in committee room 1.*ONTARIO RETIREMENT PENSION  
PLAN ACT, 2015LOI DE 2015 SUR LE RÉGIME  
DE RETRAITE DE LA PROVINCE  
DE L'ONTARIO

Consideration of the following bill:

Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan / Projet de loi 56, Loi exigeant l'établissement du Régime de retraite de la province de l'Ontario.

**The Chair (Mr. Peter Tabuns):** Good afternoon, everyone. We're here to resume public hearing on Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan.

Please note that the agenda has been revised since it was sent out last week. The 3 p.m. and 3:30 p.m. witnesses have been switched. You have the revised agenda in front of you, members of the committee. Also, our last witness for today is at 5 p.m. and no further witnesses have been scheduled after that. Note that additional copies of written submissions have been distributed to the committee.

For those who are presenting today, each presenter will have up to five minutes for their presentation and up to nine minutes for questions from the committee members, which will be divided equally among the three parties. Today's rotation starts with the official opposition.

## CUPE ONTARIO

**The Chair (Mr. Peter Tabuns):** Our first presentation is from CUPE Ontario, Mr. Fred Hahn. Fred, if you'd take a seat and introduce yourself for Hansard. At the one-minute-to-go mark, I will tell people they have 60 seconds left. Please proceed.

**Mr. Fred Hahn:** Thanks very much. My name is Fred Hahn. I'm the president of the Canadian Union of Public Employees. We're the province's largest union and we have more than 240,000 members who work in virtually every community and every riding across the province. Our members provide services that help make Ontario a great place to live.

We're employed in five main sectors of the broader public sector: health care, municipalities, school boards,

social services and post-secondary education. Our members look after Ontarians in hospitals, at home and in long-term care. We provide support and educate the next generation from their first day in a child care centre through primary and secondary school, all the way to university. We help keep our lights on, our water clean, our neighbourhoods safe and clean. We provide emergency medical services when needed. We make life better for developmentally challenged adults and children and we protect children at risk.

I want to tell you a little bit more about our members by way of demographic stats. Our members are 68% women. Sixty-four per cent of them are permanent, full-time employees, and about 14% are in part-time employment. The other 22% are in more precarious arrangements: They are relief staff, they are on call or they are temporary employees. Many of our members are in low-wage occupations and our average wage across all of our members is about \$38,000 a year. Seventy per cent of our members have some form of retirement arrangement at work. Some have workplace pension plans that cover the full range of kinds of pension plans and some contribute to workplace RRSPs.

We're here today to talk about Bill 56. Really, Bill 56 is about retirement security. There's a lot of agreement between us as CUPE and many others, including, I would say, the government of Ontario, that action needs to be taken on retirement security. In fact, we've agreed, with many others, that the very best way to do that, to provide enhanced retirement security, not just for people in Ontario but across Canada, is to enhance the CPP.

Given the lack of government action at the federal level, it's understandable that the Ontario government would try to move forward to try and address this issue here. But what is being proposed in Bill 56, the current ORPP, will actually leave millions of workers out, still struggling to cobble together enough income in their retirement. That will include many members of our union.

The ORPP isn't actually, in its current form, a public pension plan. It's a workplace pension plan for people who don't have one. But a public pension plan, in our view, is a public pension plan like the CPP. It is a universal plan available to all.

Like many Ontarians, our members have divided work experience. They can work for multiple employers and have different types of work over the course of their careers. That can mean that they can have access to multiple, different kinds of pension arrangements, have



split service, have years in a workplace where they had no pension coverage at all. Without something that is universal and portable and a fully public pension plan, too many of our members would find themselves without the income replacement needed in their own retirement.

Now, you may think, "Look, many of your members are in good defined benefit pension plans." And they are. But I want to provide you an example from our school board sector where the vast majority of our members are actually 10-month employees. Those members are members of the OMERS pension plan, the Ontario Municipal Employees Retirement System, one of the largest and best defined benefit pension plans in our country. They contribute to that plan, as do their employers.

But a 10-month employee, an education assistant, a woman who may have had one or two children during the course of her working life, can contribute to that pension plan—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Fred Hahn:** Oh, dear. That went by fast—and can end up with half of the meagre \$18,000 that would be the normal amount our members would achieve.

Once you start excluding people from a pension plan, the line forms to the left and everybody wants exclusions. The administrative nightmares this will create, not just for the plan but for employers, will be difficult in many workplaces. Some members will be in and some members will be out. This plan, excluding certain people, could also inadvertently negatively impact the Canada Pension Plan. It presents a second, lower tier of pension coverage. Our experience is that once there's a second tier, the pressure goes to that lower tier, not to the higher one.

In conclusion, the ORPP needs to be changed—Bill 56 needs to be changed to make it a fully universal plan for all people in the province of Ontario.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Hahn. Our first question goes to the official opposition.

**Mrs. Julia Munro:** Thank you for coming here today. When you mentioned that it's not public, it's a workplace, and obviously yours are workplace as well, I'm just wondering, from the comments that you've made, you're opposed to Bill 56?

**Mr. Fred Hahn:** We're opposed to Bill 56 in its current configuration. We think there needs to be enhanced retirement security. Workplace pension plans are one part of the suite of things that help to make up somebody's retirement income, including public pensions, like the CPP and the OAS. But if we're going to add on to that tier, it needs to be something that's universal for all people. That's why we say that enhancing the CPP would be the best way to do that.

In its current configuration, Bill 56 needs to be amended to make sure that there are no exclusions, that everybody who works in the province of Ontario will contribute and be a member of a new pension plan.

**Mrs. Julia Munro:** Are you concerned about the notion or the question about having a comparable pen-

sion plan that automatically creates exceptions? Can you comment on that?

**Mr. Fred Hahn:** I'm very concerned about it. I tried quickly to provide an example where defined benefit pension plans are considered comparable plans, but even for our members, who can work for 25 years as educational assistants in the school board sector, as 10-month employees they're not considered full-time employees in their plan. The majority of those workers are women. If they take one or two leaves as a result of having children, that also decreases their pension at the end. At the end, they can retire with \$7,000 to \$9,000 a year in pension. Now, that's better than nothing, but it is absolutely in need of augmentation and enhancement. That's why we don't believe those workers should be excluded.

**Mrs. Julia Munro:** I know we're discussing Bill 56, but the government also has—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Julia Munro:** —Bill 57. I wondered if you had had a chance to look at that.

**Mr. Fred Hahn:** Could you remind me what Bill 57 is?

**Mrs. Julia Munro:** It's the pooled registered pension plan.

**Mr. Fred Hahn:** Well, pooled registered plans aren't actually pension plans; they're RRSPs. They're investment mechanisms where the folks who benefit most from those kinds of vehicles are the investment folks who are charging higher fees. The best way to pool money is through a public pension plan. That's why we're saying, if we're going to create one in Ontario, it should be a universal one.

**Mrs. Julia Munro:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** To the third party: Ms. French.

**Ms. Jennifer K. French:** Thank you very much, Mr. Hahn, for joining us today. I would like to go back to some of the comments that you had made when you were explaining about the average wage of your members and some of the average situations. You had given a specific example of educational assistants as part of an OMERS plan. We know OMERS could be considered comparable, although we don't know really what comparable would look like. Are there any other examples that you could give us of when some might be part of what could be considered a comparable plan that are not going to find themselves in comparable circumstances?

**Mr. Fred Hahn:** I come from developmental services. Where there are pension arrangements in developmental services, often those workers and those employers are part of what's called the multi-sector pension plan. It's a target benefit pension plan. Generally, the contribution levels there are about 2% from employees and 2% from the employer and the average wage there is under \$40,000 a year. So even at a 2% contribution level in a target benefit plan at a wage under \$40,000 a year for the term of your working life, most people will retire, again, with something, but not something that is sustainable or

enough when matched with CPP. It's why we keep saying that all of these workers, whether they're in target plans, whether they're in defined benefit plans, every citizen of Ontario, in fact everyone across Canada, could and would benefit from enhanced retirement security.

1410

**Ms. Jennifer K. French:** We have yet to know for sure what some of the design elements are going to look like. We can bat that back and forth all day. But some of the things we have heard about, whether portability or really anything else—are there any other examples of why you think having exemptions would be detrimental to even the benefit of the plan itself?

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Fred Hahn:** The most successful social programs are in fact universal. When we think about the CPP, our health care system, this is what makes them successful. They're universal. Everyone is part of them, everyone contributes, everyone is covered by them, no matter what their income, their status or their other circumstance.

By creating a plan that is not universal, it will, again, create pressure on those universal plans. It will, we think, potentially damage them. In effect, it is not a public pension plan. It doesn't serve the purpose of enhancing retirement security that's necessary for people across the province.

**Ms. Jennifer K. French:** Might it be an easier plan to manage if it's universal?

**Mr. Fred Hahn:** It would be incredibly easy to manage. Look, at one of our workplaces you could have an employer that had full-time people who were in a pension plan, part-time people who may have opted to be part of their pension plan, part-time people who did not opt to be part of their pension plan, and temporary employees or casual employees who would never qualify to be part of their pension plan, and an individual employer would have to track all of that, let alone—

**The Chair (Mr. Peter Tabuns):** Thank you. You're out of time on this question. We go to the government. Madame Lalonde?

**Mrs. Marie-France Lalonde:** First of all, I want to thank you for being here, but also I would like to say thank you to all your members, who work tirelessly in our schools, in our long-term care. That's something very sensitive for me as a previous long-term-care person.

The government ultimately, as you're aware—the preferred, I should say, is the enhancement of the CPP. Unfortunately, as you mentioned in your deposition, we're not there. They're not interested. Ontario is taking that leadership role to bring forward a plan, considering that we know about three million Ontarians won't have a plan or don't have a plan right now.

When I think about this plan and the predictability of having a stream of income—can you tell me, based on your knowledge, the benefit of that predictable stream of income for a person in Ontario?

**Mr. Fred Hahn:** Well, naturally, for all of us, when we retire, having a predictable stream of income is

incredibly important. It's why we have agreed with the government of Ontario that enhancing the CPP is the very best way forward in that regard.

But what's being introduced here, because it excludes some people in the province of Ontario, actually has the potential—and I would believe this is inadvertent, not intentional—to damage the CPP. Were we to put in place the ORPP as it's currently configured, excluding over a million Ontarians, not only will we create a huge administrative challenge for that plan, a huge administrative challenge for many employers who would have to track whether or not a worker was eligible to be part of it or not, but we would be creating, in essence, a pension plan that is a lower tier than the current universal Canada Pension Plan—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Fred Hahn:** —and should any government then say, “Look, if a progressive government like the Liberals in Ontario, who say they are progressive, think that it's sufficient to have a public program that actually excludes some people in the public, then maybe we should do that for others across the country.” It could endanger something that we actually hold quite dear in our country.

**Mrs. Marie-France Lalonde:** I guess from my perspective, I'm quite concerned about the fact that some plans are very volatile. High fees have also demonstrated on the market that they can fluctuate. I like to think that this plan will bring that predictable stream of income to individuals who ultimately, in the long term, will be able to spend more money in our economy in contributions to the mom-and-dad grocers, any retail industry. We want to make sure, in the long-term aspect—

**The Chair (Mr. Peter Tabuns):** I'm afraid your time is up. Thank you, Mr. Hahn.

**Mr. Fred Hahn:** Thank you.

## ADVOCIS

**The Chair (Mr. Peter Tabuns):** Our next presenter, Advocis, Mr. Pollock and Mr. Greene. Gentlemen, I'm sure you've heard the routine; you've seen us go through a cycle. If you'd introduce yourselves for Hansard.

**Mr. Greg Pollock:** Thank you very much. My name is Greg Pollock. I'm president and CEO of Advocis, the Financial Advisors Association of Canada. With me is Paul Greene, who is chair of the Advocis Retirement Income Adequacy Committee.

Advocis members are financial advisers and planners, providing comprehensive financial advice to Canadians through all stages of their lives, including estate and retirement planning, wealth management, insurance strategies, tax planning, employee benefits, critical illness and disability insurance.

In particular, our members provide retirement planning and investment advice to both employers and employees who are enrolled in defined benefit, defined contribution and capital accumulation plans, as well as individual and group RRSPs, RRIFs, tax-free savings accounts, annuities and other retirement products.



Advocis supports initiatives by the Ontario government that assist Ontarians in saving, building wealth and preparing for life events. We would caution, however, that these efforts should not be at the expense of the many solutions that already exist: assisting millions of Ontarians in their savings and retirement planning strategies.

In our view, much of the debate around the introduction of an ORPP has missed a critical element; that is, the central role that financial advice plays in the financial health of Ontarians. Our sense is that many believe, including legislators, that investing for one's future is a game of chance. This simply is not the case.

In 2012, a landmark study through the CIRANO institute, affiliated with the University of Montreal, examined the financial habits of 10,000 Canadian families and concluded that those that receive financial advice accumulate up to almost three times more assets than non-advised households. Last year, a PricewaterhouseCoopers study, *Sound Advice*, found similar results. Therefore, if we are to encourage the financial wealth and health of Ontarians, then financial advice must be part of the solution.

According to the PwC research, there are 37,000 independent financial advisers in Ontario, serving 4.8 million households. Paul is one of these advisers. A report last month by McKinsey and Co., *Building on Canada's Strong Retirement Readiness*, reported that 83% of Canadians are currently on track for retirement. Together, let's ensure that whatever ORPP solution we land on, it does not place in jeopardy or have the unintended consequence of reducing access to individual financial advice.

In its recent consultation paper, the government addressed the issue of comparable plans. Their preferred approach would exclude DC pension plans, group RRSPs, group TSFAs, PRPPs and deferred profit-sharing plans. We believe the definition of "comparable" must include such plans. To do otherwise will lead to many of these plans being eliminated or reduced, resulting in the unintended consequence of less savings for this large group of Ontarians.

Advocis believes that Ontario's employers and employees should be able to choose from alternatives to the ORPP, provided the alternative plan has certain key features similar to the ORPP, specifically with regard to contribution rates. So, how might we move forward?

At the very minimum, all plans with a 3.8% or higher contribution level should be included in the "comparable" definition. Secondly, converting DC and group RRSP plans into annuities should be examined. After all, isn't a defined benefit plan just an annuity—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Greg Pollock:** —providing guaranteed payments for life with minimum guarantees on premature death? Thirdly, PRPPs with auto enrolment, as well as voluntary opting-out provisions, should be implemented.

Another consideration, although within federal purview, is to make adjustments to existing retirement

accounts, such as increasing the age limit for contributions to RSPs from age 71 to 75 or lowering the RRIF minimum withdrawals.

And finally, also at the federal level is the tremendous potential of the relatively new TFSA option. People who are in their twenties today will be able to accumulate significant amounts in their TFSAs by the time they retire, with no tax consequences.

In conclusion, today there are millions of Ontarians benefitting from retirement planning advice from financial advisers. We believe that whatever solution Bill 56 adopts, it must account for the many retirement programs already in place. To do less will destabilize a major leg of the retirement planning stool, leading to less financial independence for Ontarians.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Pollock. To the third party: Ms. French.

1420

**Ms. Jennifer K. French:** Thank you very much for joining us today at Queen's Park and obviously bringing a very invested, if you'll pardon the pun, voice on this topic. I certainly don't have to talk to you, I wouldn't think, about the importance of financial wealth and health.

I appreciated when you were commenting on the initiatives being taken in terms of savings and growth of wealth and preparing for life events. I think that's something that we often forget, that life happens and it's difficult to plan or prepare for it, but many who are facing retirement and those without a solid plan for retirement or a solid, stable income worry about what's coming in life more than just the money, but they'll hold on to it and they won't participate in our economy. I think I'm preaching to the choir in terms of talking about the importance of retirement and savings.

I'd be interested—we've heard the 83% a lot from the McKinsey study. I wish I had it in front of me. It talks about households being on track for sustaining or maintaining their current standard of living, or exceeding, but I wonder if you could tell me—because I haven't had this answer yet—what defines a household? Is it someone in a position to own a home or would it be someone in low-income rental accommodation? Do you know?

**Mr. Greg Pollock:** Do you want to—

**Mr. Paul Greene:** My answer to that, as a financial adviser with 41 years' experience, is that a household is whoever stays together in a relationship and pools the sources of wealth. It can be any number of things, from single to married to common law—I think you know all the definitions. I don't think household necessarily refers to property ownership.

**Ms. Jennifer K. French:** Okay. I wasn't sure of that, and we hadn't gotten that answer.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** Also, "on track" to maintain or exceed their current standard of living: Can that also include those in impoverished situations currently, to be on track to maintain or exceed?

**Mr. Paul Greene:** I think there's lots of research on the fact that at low levels of income, the Canada pension, the GIS and the OAS do a very good job in replacing a substantial portion of a low-income earner's income at retirement. Actually, the research is more that it's the middle class. Wealthier people have a chance to take care of lots of deductibility, lots of sheltering, lots of deferral, which are great. It's your middle class that is squeezed at the moment.

**Ms. Jennifer K. French:** And as the government is putting forward their plan to come up with the body that's going to manage this plan, do you have insight or ideas, advice for them on who that should be or how that should be managed?

**Mr. Paul Greene:** Again, I've been involved in the pension business for 41 years. I acknowledge the—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that you're out of time. We go to Ms. Vernile with the government.

**Ms. Daiene Vernile:** Thank you very much, Mr. Pollock and Mr. Greene, for coming and speaking to us today. I'm going to start by stating perhaps the obvious, and that is that you're in an industry—you represent financial advisers and planners in Canada who have a vested financial interest in maintaining the status quo and not moving forward with this particular plan.

You talked about the reasons why people don't invest and how it is considered to be a game of chance, but you argue that it's not when you invest. Yet I look back at the recession in 2008, when many people who were retiring then—I've a friend who's a teacher who lost one third of her pension value with what was happening in the markets. She was 65 and had to go back to work. She got a job as a massage therapist, so she'd have enough money.

I want to talk to you about the predictability of the markets and having retirement security. The reasons why people don't invest—we have such volatility in the job market today and pension plans don't follow you when you go from one place to the next. We also see volatility in the markets that are not dependable, as mentioned. We have high management rates and fees. We have low interest rates today.

So when you look at what your Old Age Security pension is going to pay, as well as your CPP, it can be as high as \$12,500 a year, but the current average is \$6,800 a year. Is that enough on which to live?

**Mr. Paul Greene:** Ma'am, you've raised a lot of points and some of them are not correct. The maximum of the OAS and CPP combined is about \$19,500 per year.

**Ms. Daiene Vernile:** CPP only?

**Mr. Paul Greene:** CPP and OAS, ma'am, are \$19,500 for 37 years of service.

**Ms. Daiene Vernile:** Yes, but I was referring to CPP.

**Mr. Paul Greene:** Going back to your comment about markets, yes, markets are volatile—and it also deals with the comments of the previous person who asked the question. But remember—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Paul Greene:** —markets are going to be really volatile for the plan sponsor of this, and the Ontario government is going to be the sponsor, the administrator of this huge pile of investment. If markets go up and markets go down, so does this.

It's interesting: I manage about \$800 million. We manage about 50 pension plans, involving something around 20,000 employees. Group retirement money is unbelievably sticky, and actually the vast majority of people in defined contribution pension plans, group RRSPs and deferred profit-sharing plans who held the fort are actually probably better off, although the pain of the volatility was bad at the moment.

Sadly for your teacher friend, she took horrible advice. Actually, courts have now ruled that they're not even allowed to do it, where you cash out the DB plan.

**Ms. Daiene Vernile:** So we are looking, though, at a predictable stream of income.

**Mr. Paul Greene:** Yes, but the plan sponsor has to endure all the volatility. Volatility will come and go.

**The Chair (Mr. Peter Tabuns):** I'm afraid to say that you're out of time. We have to go to the official opposition. Mrs. Martow?

**Mrs. Gila Martow:** Would you like to continue what you were just saying or have you wrapped up?

**Mr. Paul Greene:** I just think that volatility is going to come and go. We certainly found out in 2008 and 2009 that there wasn't a government in the world big enough to manage the volatility.

**Mrs. Gila Martow:** Exactly.

**Mr. Paul Greene:** My colleague has a comment that he'd like to make that I think is very germane and part of your question.

**Mrs. Gila Martow:** Sure.

**Mr. Greg Pollock:** I think, just related to that, if you look at—we provide a number of charts—the plan contribution levels, the 3.8%, you'll see today what's being contributed to group RRSPs: an average of 7.8% with employer-employee; and with DC plans, almost 11%. Our concern is that by starting an additional plan with some of these employers, it's very possible that they will say, "Look, we now have another plan to administer, so let's get out of this DC plan as an employer," or, "Let's get out of this group RRSP as an employer." We have a serious concern about that.

**Mrs. Gila Martow:** I think that's one of our concerns over here. What we see possibly happening is that people who have a better plan in place, either matching RRSPs or some kind of other savings for retirement plan with their employer contributing, are going to actually get less in employer contributions and less money at retirement, which would defeat the whole point of the member opposite, who said to the previous presenter that these people have more money at retirement to spend in the economy. Well, there's going to be a chunk of people who are going to have less money in retirement.

Eighty-three per cent of people—studies keep telling us that most people are on track for retirement. In your opinion, if this plan, as it is now, without amendments,



was brought in, how many more people would be on track to retirement? It's still not going to be 100%. We heard from CUPE that there are a lot of part-time workers and relief workers and contract workers—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Paul Greene:** Not only can it not deliver 100% coverage, but we would argue—and actually, after 41 years and the volume of business we do, I surveyed my clients. They are going to pull money off the table. ORPP actually maroons money. It takes away from the availability of capital to manage their own wealth, and overall it would take away.

**Mrs. Gila Martow:** So there would actually be fewer people ready for retirement.

**Mr. Paul Greene:** Absolutely, especially over the course of the next 10 or 15 years, until this got some momentum.

**Mr. Greg Pollock:** If I could just make a quick comment on fees as well, because I did hear it previously in the questioning—high fees, private sector, self-interest in terms of fees and so forth—I'd strongly encourage you to read our brief, because when you compare the fees, say, in the Canada Pension Plan Investment Board to those of DC plans that are currently administered privately, they are absolutely comparable, but there's this—

**The Chair (Mr. Peter Tabuns):** Sir, I'm afraid you've run out of time.

**Mr. Greg Pollock:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much for your presentation today. I appreciate it.

#### COLLEGES OF APPLIED ARTS AND TECHNOLOGY PENSION PLAN

**The Chair (Mr. Peter Tabuns):** The next presenter is the Colleges of Applied Arts and Technology Pension Plan, Derek Dobson. Mr. Dobson, you'll have five minutes to speak and nine minutes of questions. I'll give you notice when you're getting close to the end. Please proceed and introduce yourself for Hansard.

**Mr. Derek Dobson:** Thank you. My name is Derek Dobson, the CEO and plan manager of the CAAT pension plan, which administers the pension for 40,000 members inside the college system. We have about \$8 billion in assets currently under management. I'm also a father of three, a proud Ontarian and a full-time student of pensions for the last 28 years, and I'm still learning.

Adequate retirement savings programs are the cornerstone for a healthy Ontario, both now and in the future. Through well-designed, stable retirement programs, Ontario will benefit from stronger health care, lower levels of pensioner poverty, and much-needed investment in infrastructure. Given the clear needs of the future, we must turn our focus to delivering pension income as efficiently as possible.

1430

We appreciate the government's recognition of the superior efficiency of pooling in defined benefit and

target benefit plans. Such plans can deliver predictable retirement income that fosters the well-being of the elderly and their families while easing pressure on government health care and social programs by providing a source of deferred taxes and healthier retirees. Strong pensions also benefit employers and taxpayers.

The CAAT Pension Plan fully supports the principles behind the ORPP. A sophisticated and advanced province should use its power to assist Ontarians in finding ways to save for retirement efficiently and at an appropriate cost. The ORPP is a positive step, especially for those who do not have access to a secure and efficient defined benefit plan.

Turning to implementation, where a workplace already has a strong and secure defined benefit pension plan available immediately upon hire, we believe part-time employees should be exempted from automatically joining the ORPP. The key rationale supporting this:

(1) In the longer term, employees would be better served by joining an efficient existing DB pension plan that is tailored to their needs.

(2) Part-time employees may need more time to assess their retirement savings needs and options.

(3) The reduction in part-time members would have a negative impact on existing plans.

(4) Limit the administrative costs of having employees move between the ORPP and existing pension plans.

Accordingly, we urge the government to focus on Ontarians with the greatest need, namely those without full access to a comparable workplace pension plan, in designing its implementation strategy.

Failing this, we request that when phasing in the implementation of the ORPP, those with full access to a comparable pension plan should be the last to be required to join the ORPP. This will allow large employer pension plans like CAAT to work with our employers and member groups to develop needed communication tools and programs to allow part-time employees to properly assess which pension plan will best suit their needs in retirement. This may be a complex decision for many employees and we must ensure it's a well-informed decision.

In closing, the ORPP is a good step in the right direction for Ontario. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. Our first question goes to the government. Mrs. Mangat?

**Mrs. Amrit Mangat:** Thank you, Mr. Dobson, for your presentation, and welcome to Queen's Park. My understanding is that in your presentation you said that the ORPP is a positive step in the right direction. Similarly, last week, a presenter also made similar comments and he said, "The proposed ORPP is a good economic and social policy. For example, it reduces the number of retirees below the poverty line and addresses workers in precarious employment. Not enough workers can save using RRSPs." That's what you mean? Do you agree with that statement?

**Mr. Derek Dobson:** In general, I do. I think coverage is a big issue we have to deal with, not only in Ontario

but across Canada. All the stats from Stats Canada show that people are well underutilizing the RSP room and you need to fully utilize that at the time it's available to have an adequate retirement income. So steady, predictable contributions over your career are the best way to save for retirement.

**Mrs. Amrit Mangat:** So do you agree that our government looking to address a problem that we are seeing on the horizon is right?

**Mr. Derek Dobson:** The future of Ontario for retirees is much different than it is today. The direction of adding to retirement income savings is definitely a positive step forward. So, yes.

**Mrs. Amrit Mangat:** So how do you feel that the ORPP can benefit the workforce you represent in the present and into the future?

**Mr. Derek Dobson:** The workforce of the college system is already well served by the CAAT Pension Plan. There are some part-time members who are not required to join our pension plan, although we offer it immediately when they're hired. This is a very progressive stance from our plan sponsors. So for those who have chosen not to join the CAAT Pension Plan—one example might be because they're not going to be in the college system for a long time—the ORPP would benefit them.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Derek Dobson:** For those who want a lower savings target because they're already adequately covered, the ORPP would also be an option for them. But by and large, our members are well served by the current pension arrangement.

**Mrs. Amrit Mangat:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. The official opposition: Mrs. Munro.

**Mrs. Julia Munro:** Thank you for coming this afternoon. Just to make sure I'm on the right track here, obviously it's fair to say that you support Bill 56 as it is presented to us?

**Mr. Derek Dobson:** Definitely the principles behind it. There's always room for tweaks, but yes.

**Mrs. Julia Munro:** Yes, and I would want to echo a sentiment that you raised in terms of the benefit of the defined pension at community colleges, because it did set them up when the college system was set up.

My concern is people I think of who are in my riding. Those are people who work in businesses that are generally small employers. They're looking at this as a tax. The moment they feel the hand of government going into their pocket—it doesn't matter what you call it—they believe it's a tax. I think we have to be very vigilant on that side of the discussion because margins aren't that great in many businesses, so there's a significant concern about it.

I'm just wondering: When you're here in the position you're in as a defined benefit, it's a very different world than the kind of thing that they're facing in the private sector, in small business particularly. The issue then becomes one of, "Is this the right time? Is this the right

amount?" particularly when there's no definition of "comparable." What is "comparable," in your mind?

**Mr. Derek Dobson:** "Comparable," in my mind, is something that can deliver a retirement income stream. That's all retirees should really care about: What are they actually going to get paid in retirement? When you look at a defined benefit pension plan, that is defined up front. That's essentially what the ORPP is. So to define "comparable" for any other vehicles, you would have to determine—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Derek Dobson:** —what level of contributions would be necessary to replicate that style of benefit in retirement. "Comparable" for me is really on the income stream that the ORPP is designed to replace.

There's clear evidence that defined contribution plans and RRSPs and TFSA's are less efficient. I brought with me a study from Dr. Robert Brown, president of the institutional association of actuaries. He suggests that DB plans like the ORPP and the CAAT Pension Plan are 77% more efficient. For small business owners and Ontarians, I would want them to try and make their dollar go as far as possible and have this type of large, low-cost style of pension plan. I think that would be a positive step.

**Mrs. Gila Martow:** So you agree with forcing employers, though, to switch?

**Mr. Derek Dobson:** If you can tell your employees—if you have a 4% DC plan, and you're changing it for a 4% ORPP—that their income will almost double, that's a good deal.

**The Chair (Mr. Peter Tabuns):** Third party: Ms. French.

**Ms. Jennifer K. French:** Thank you very much for joining us here today. I appreciated at the beginning when you said that you're a student of pensions. I myself am also a student of pensions, and there's a lot to learn. I'm learning that here at committee as well.

I'd like to have you elaborate, if you wouldn't mind: You said that the ORPP or a plan like it would be important for easing pressure on our social systems. If you could just maybe expand a little bit on that?

**Mr. Derek Dobson:** Sure. There are a lot of Canadians and Ontarians who aren't properly saving for retirement, and there's a lot of studies that suggest that the less secure you are financially, the more you utilize health care at the wrong levels and the more you utilize social programs like GAINS and GIS and those things. Having adequate savings built up over your working career will necessarily bring those ultimate costs down. It's really about paying a little bit now or paying a lot more later, from my perspective.

**Ms. Jennifer K. French:** As you said, there's always room for tweaks. We have yet to see the design pieces of this and what it will look like. I certainly hope that you'll be lending your voice as they continue to consult on what that would look like. Do you have thoughts today that aren't in this? I see that you've given advice about the



implementation, but in terms of the design, do you have anything you'd like to add?

**Mr. Derek Dobson:** In terms of a predictable stream of income, that's very important from a savings target perspective. In terms of replacement income, I think there's a big debate in the industry about whether—as the previous speakers said, it's really middle-income Canadians. So what's the low-income threshold where contributions and benefits should start? I think that's a very big issue. One thing that I'd caution the committee against is necessarily—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Derek Dobson:** —assuming that CPP enhancement will come. I think it's better to just design the plan for the needs of Ontario today, and if CPP enhancement does come, then to address changes or the evolution of ORPP if that eventuality comes. Those are a couple of the design things that I would bring up.

1440

**Ms. Jennifer K. French:** You had also said that you offer the option to join for your part-time employees. Do you see that there is a place in the conversation for the ORPP to have an optional opt-in for those who might be exempted, as they could also—do you see a benefit to that?

**Mr. Derek Dobson:** I think that would be a good discussion to have, to see whether it's member choice, because they already have access to a solid defined benefit program and they may have made decisions to opt out of the CAAT Pension Plan for very valid reasons. So that is worth a conversation.

**Ms. Jennifer K. French:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

#### CANADIAN FEDERATION OF INDEPENDENT GROCERS

**The Chair (Mr. Peter Tabuns):** Our next presenters, then, the Canadian Federation of Independent Grocers, Gary Sands and Christy McMullen. You've seen our routine here: five minutes—

**Ms. Christy McMullen:** Yes.

**The Chair (Mr. Peter Tabuns):** All of that. That's great. If you'd introduce yourselves for Hansard, we'll start the clock.

**Mr. Gary Sands:** I'm Gary Sands, vice-president of the Canadian Federation of Independent Grocers.

**Ms. Christy McMullen:** My name is Christy McMullen. I am a third-generation grocer with two stores and 240 employees.

**Mr. Gary Sands:** Thank you, Mr. Chair, and to members of the committee, on behalf of the Canadian Federation of Independent Grocers, for the opportunity to be here this afternoon to express our position with respect to Bill 56, providing for the establishment of the Ontario Retirement Pension Plan.

The CFGI represents, of course, independent grocers and distributors across Canada. Our membership includes

large, medium and small-sized stores. In Ontario, independent grocers represent close to \$4 billion in retail sales, accounting for more than 30,000 jobs in ridings across the province.

At the outset, CFGI wishes to express our appreciation to Minister Hunter for her outreach to us on this particular issue. Notwithstanding CFGI does not agree with the government on the issue of Bill 56, we want to acknowledge the genuine interest by the minister and her staff in hearing our concerns and facilitating a dialogue with us.

CFGI certainly would like to echo many of the concerns I believe this committee has heard from other associations and organizations about the bill. I know, as chair of the Small Business Matters Coalition in Canada, which has 21 member trade associations representing close to 98,000 businesses, that there is widespread concern with this legislation from the small business community.

However, in my role as vice-president of CFGI, I want to use this opportunity to try and help you understand the particular and unique challenges our retail members face, which differentiate us from many other businesses. This is because it has become very clear to us over the last few weeks, in dealing with the Ontario government on the beer and wine issue, that there is a significant lack of understanding of both how our industry works and some of the disturbing issues that confront the retail grocery industry today.

While this committee is understandably focused on the particulars around the legislation contained in Bill 56, for independent retail grocers, the context for the ORPP is one of operating on an uneven playing field dealing with a myriad of challenges and other cost pressures that I know Christy McMullen can also talk about as a store owner and operator.

The ORPP is, in essence, a payroll tax of 1.9% on businesses, with absolutely no linkage to the profitability or circumstances of the business. Everyone is treated, for the purposes of the legislation, equally. But for our members, things are not equal. We already exist on that uneven playing field.

Retail grocery is a high-volume, low-margin sector. It operates on margins of between 1% to just under 2%. But in Canada, particularly in Ontario, retail grocery consolidation, the most recent examples being the Loblaw purchase of Shoppers Drug Mart and the Sobeys purchase of Safeway Canada, has created more of an imbalance and tilted that playing field even more.

A corporate chain retailer can and does exact what they euphemistically describe as “cost synergies” from a myriad of suppliers, or can impose penalties on suppliers for any number of reasons. These chains also “invite” suppliers to pay for their store renovations, or help them underwrite the cost of acquisitions they have made, which ironically have increased their leverage and ability to impose those retroactive cost synergies on suppliers. Of course, this in turn has an impact on the independent retail grocer with their supplier relationships and what is defined as trade spend. Yet at the same time, the in-

dependents' tight margins remain unchanged, so consolidation has been very much at the expense of both suppliers and independent grocers in Canada. These practices have raised concerns with the Competition Bureau and investigations are ongoing, but in the—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Gary Sands:** Okay. Then I'm going to move along because you've got the brief.

We also want to draw your attention to high credit card swipe fees. The credit card fees in Canada remain significantly higher than in other jurisdictions. Again, this federal government has opted for a voluntary approach so we're not too optimistic about what's going to happen. That takes about \$5 billion to \$7 billion out of the pockets of retailers.

We've also drawn your attention in our brief to some of the other additional costs that grocers face that other retail sectors don't, such as the cost of food safety and labelling. We very much support those things—let me be clear about that—but they are additional costs that we have.

As I said, most importantly, we've been seeing proposals—in this context, we've been telling you about our industry—to allow beer and wine in grocery stores along with some auction fees, and to us this is an additional barrier to entry for independents, providing yet another—

**The Chair (Mr. Peter Tabuns):** I'm afraid you're out of time.

**Mr. Gary Sands:** Okay.

**The Chair (Mr. Peter Tabuns):** We go to the official opposition. Ms. Martow.

**Mrs. Gila Martow:** Thank you so much for your presentation. We all know that most Canadians live close to the US border and that cross-border shopping for groceries is a serious concern for all of us. How do you think that this plan is going to affect cross-border shopping? Do you think that this cost is going to be put towards higher food prices, or else you're going to have to go out of business? Would this drive people to go across the border more often?

**Mr. Gary Sands:** It's either going to do that or, for the independents, what we see is our stores closing. Since 1994, we've lost 25,000 independent grocery stores across Canada. With all due respect, if those were family farms, we'd be having a first ministers' conference, but we don't get the same degree of attention. That's what will happen.

That's why in a lot of areas of the province you're seeing what is now commonly referred to as food deserts. When the independents are gone, they're gone, and a corporate chain will make a different kind of decision as to whether they want to move into a different community. Those are the impacts of all of this stuff, the cumulative impacts. We're just trying to wave a red flag at everyone.

**Ms. Christy McMullen:** As a third-generation grocer, we're very passionate about the grocery business, but adding another tax and all this legislation and things like

that is making it really difficult to want to stay in business when I could go and just sell my property and make a ton of money off of that. I don't want to put 240 people out of a job, but right now, another 1.9% out of my pocket is making it really tough for us to survive. It's going to cost me \$145,000. Where am I supposed to get that money from next year? And it's not just one year; it's every year. It's just so easy for you guys to come in and say, "Let's put this other tax on them," and it's so difficult as an entrepreneur to feel excited about going to work every day when we're trying to do things that are so challenging.

**Mrs. Gila Martow:** My colleague has a quick question and I just want to make a comment.

**The Chair (Mr. Peter Tabuns):** We have one minute left.

**Mrs. Gila Martow:** Yes, go ahead.

**Mrs. Julia Munro:** First of all, I think of this as a mandatory bill. It's a mandatory 1.9%. We don't know why 1.9% was chosen. It's mandatory if you don't have a comparable pension etc. But I wanted to give you the opportunity to talk about why it's important for us as consumers that the independent grocer stays in the province of Ontario.

**Mr. Gary Sands:** Well, there are a number of reasons. One, even the manufacturers in the Canadian food industry would say it's very important to keep the independents in the channel, because having that diverse food supply channel is very important.

We have to be price competitive, but one of the big things we have to do is be able to differentiate ourselves, and a key component of our business model is buying local.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that you've run out of time here. We go to the third party. Ms. French?

**Ms. Jennifer K. French:** Thank you. I appreciate very much your being here. I'll let you finish that thought, if you wouldn't mind, and then I've got some questions.

**Mr. Gary Sands:** Buying local is a key part of the independents' business model, and the impact that we have on the on-farm sector, particularly in Ontario, is huge, but it's often overlooked.

**Ms. Jennifer K. French:** Thank you. I appreciated your comments earlier about the fact that you're seeing that significant lack of understanding for how your industry works. I certainly don't come out of the grocery business, but I come out of education and I know there are many fields where the front-line workers would like to feel heard and that those who are in their industry would like to have their voices heard. So thank you very much for bringing them today.

1450

When you bring up issues like swipe fees and your everyday business realities, those are important things for all of us to be reminded about.

There is something I'd like to ask you about. If the ORPP is going to roll out as promised, when it comes to



the implementation side and phasing in, we've sort of heard what that could look like. Whether it's set in stone, that is the intent. Do you have thoughts on how it could maybe ameliorate the challenges?

**Mr. Gary Sands:** From our perspective—and I know I'm being somewhat parochial here in talking about the independent grocers—we would like it to be phased in when, finally, the federal government does something to bring in some regulatory controls or mechanisms that exist in many other jurisdictions, to prevent some of the abuses that we're seeing in the retail grocery industry. If we could have some restoration of normal fair practices in the industry, then we'd be having a more comfortable conversation about this issue too.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** I think that for some of those things to happen, there does need to be that provincial-federal dialogue. Can I assume that you would also then encourage the government to have those positive conversations with the feds?

**Mr. Gary Sands:** We definitely do. We've been encouraging OMAFRA to have those conversations with the federal government.

**Ms. Jennifer K. French:** Thank you. If there's anything else you'd like to add in the 10 seconds?

**Mr. Gary Sands:** No. I'm glad you brought up the credit card fees. I wish I could talk to you about that one ad nauseam, as the chair of the small business coalition, because we're taking a huge hit. Small business is taking a huge hit there, but—

**The Chair (Mr. Peter Tabuns):** Okay. Thank you very much.

To the government: Madame Lalonde.

**Mrs. Marie-France Lalonde:** Thank you very much for being here. There are many points you've brought forward. I'm going to say I used to be a business owner. My husband owns a business. I come from a long-standing family of grocers, actually, so some of my family members have owned, at one point or another. So I won't pretend to know, but I certainly understand where you're coming from.

An aspect, though, that I really don't understand is the 1.9% that you refer to as a tax. I have to be honest. I had 97 employees. If that bill had been there, offering 1.9% towards savings for that employee, and also committing to that employee that I care for them enough that I want them to grow within my businesses—I have to say I don't see it the same way.

One other point that I want to make, and this may be—I don't know if you know this. We're planning—and this government understands the business side of things, and we want to make this as easy a transition as possible. I don't know if you're familiar with this, but this is a bill that will be, first of all, introduced to large employers, phased in over two years. It would also coincide with the EI portion, where the federal is going to be reducing.

As a previous business owner, in fairness, I remember in 2010, when my corporate taxes were reduced, that was a very nice incentive for me as a business owner.

I also look at our commitment—and I don't want to say the name, Bill 7, because that won't tell you anything—with the Better Business Climate Act, which is really reducing the regulatory burden on businesses by 17%.

Having said all this, I understand your perspective, and we want to continue that discussion. But how would you see that your employees—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** —would benefit from having more savings in the long term?

**Mr. Gary Sands:** We want to be in a position where we have the employees. That's where I think we have a bit of a divide, with all due respect, between us and the government.

And I would have to disagree with you again, with all respect: The conversations I have been having with the government over the last few weeks on the beer and wine issue have been indicative to me of a lack of understanding of how our industry works.

I'll give you, if I have time, one quick example. First of all, the retail margins in grocery, as I'm sure you know, are about four to five points less than in other retail sectors. Also, a lot of the money that comes to all grocery stores comes from what is called "trade spend." That's the money that manufacturers spend on in-store promotions, marketing, those kinds of things. If Loblaw's, for example, says to all of the suppliers in Canada, "We're taking"—

**The Chair (Mr. Peter Tabuns):** Mr. Sands, I'm sorry to say you're out of time. It was a good point, but your time is up. My apologies; we have to go to the next presenter.

## NATIONAL ASSOCIATION OF FEDERAL RETIREES

**The Chair (Mr. Peter Tabuns):** The National Association of Federal Retirees: Rosemary Pitfield. Ms. Pitfield, as you know, you have five minutes to present. There will be nine minutes of questions. I'll let you know when you're running out of time. If you'd introduce yourself for Hansard. Thank you.

**Ms. Rosemary Pitfield:** Thank you. Rosemary Pitfield, director of advocacy and communications with the National Association of Federal Retirees. Thank you very much for having me this afternoon.

The first point I would like to make is that none of our members, 185,000 strong, who are federal retirees—both public servants, Canadian Forces and members of the RCMP or federally appointed judges—will ever be able to avail themselves of the ORPP today, as they are all retired.

They have, however, huge concern that we ensure that all Canadians have adequate retirement income. Their biggest concern is for their children and their grandchildren. Our association sees this bill as being critical for our future. It really isn't, in our view, about current

employees so much as about ensuring that youth, who we know will not be spending 20, 25, 30 or 35 years with a company in the future, but are likely to have five to six careers in which they may spend five to six years with each individual organization or company that they work for—that doesn't harken well for a defined benefit or a defined contribution plan, really any kind of savings plan that's developed by companies or organizations. We're also seeing a huge decrease in the number of defined benefit plans that are being provided by companies across the country, and even some defined contribution plans are now being eliminated.

While our association would much prefer to see CPP expanded—and we do see that the federal government, or current government, is not interested at this point in expanding it—we see the ORPP, or Bill 56, as a very positive step forward.

Having said that, there are some considerations we would like you to think on.

The association believes that employees and employers with comparable plans should not be excluded from the ORPP. Rather than trying to determine what a comparable plan is, there should be no exceptions, and every employee and employer should contribute to the ORPP. We see this as a universal plan and not as another form of pension plan. Some defined benefit plans can be poorly managed, so suggesting that this be comparable to a defined benefit plan could eliminate, as was pointed out by CUPE, many potential individuals.

As mentioned, we believe it should be a universal plan and that while someone may fall under a narrow definition of "self-employed" under the Income Tax Act, that does not mean they are truly self-employed. The province needs to ensure that these individuals do not fall between the cracks and that they have access to the ORPP.

Employers currently offering pension plans could expect their plans to work alongside the ORPP in much the same way as the CPP does: a mandatory retirement savings plan with no option for opt-out. Unfortunately, we know that the plans that are most solid in this country are the plans where a mandatory requirement to put money into the plans has been included.

We recently conducted some focus groups around the country, of which we conducted two in Toronto.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Rosemary Pitfield:** Thank you.

We conducted two in Toronto, and I can tell you that Canadians and Ontarians are very, very concerned, including the youth. In Toronto, we heard from individuals who were 25 to 30 who expressed concern over the fact they thought they may have to actually help their parents in retirement. So, as suggested, we would highly recommend that one of the critical aspects of this plan be the universality of the plan.

Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. First question, then, to the third party: Ms. French.

1500

**Ms. Jennifer K. French:** Thank you very much for joining us at Queen's Park and for weighing in on this discussion. I appreciate that your members don't have a vested interest personally but that they do when it comes to their children and their children. It's interesting, because we do talk about future generations, and I realize that here at Queen's Park, there are many, many people running around these halls who are in the 25-year-old range. We're talking about them and we're talking about their retirement when we're looking at this plan. It's important to remember who we're talking about.

As you said, the five to six careers on average, and appreciating what you're saying about universality and not having people be exempted—not just from the ideology side of things but from a logistical standpoint, why do you think it would be better for it to be a universal plan?

**Ms. Rosemary Pitfield:** In essence, what we're seeing is that if the Canada Pension Plan isn't increased—which, as I said, would be our number one position—with the ORPP, this would be another layer that would provide protection in retirement.

If it's universal, it means that it's portable. As you change employers, as long as you stay in Ontario, you carry that plan with you, which means you're contributing from day one into a program that, when you retire, is available to you.

**Ms. Jennifer K. French:** Certainly, sometimes when you start a new career, even though you might have access to the ORPP, if there's a phase-in or it takes a while, as you said, you're only in those careers for potentially four or five years. So how many of those years that you're even there would you be eligible to contribute? All of that remains to be seen. Thank you for that point.

As you said, this ORPP could serve—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Jennifer K. French:** Thanks—as another layer. What we've been hearing a lot from those who are not enthusiastic about the ORPP is that it will be the end of all DC plans, and then everyone will shut down and stop their current plans, potentially.

Is it possible that the ORPP could serve as a supplement to many of these plans, or that those plans could serve as a supplement to the ORPP and not suddenly shut down?

**Ms. Rosemary Pitfield:** I think the concern that our association has is that, over the years, what we have seen is that plans are being shut down by companies. To suggest that the introduction of the ORPP would shut these plans down—I think they're already doing that, and we have a greater concern about that.

**Ms. Jennifer K. French:** Do you think that any of them could work alongside the ORPP?

**Ms. Rosemary Pitfield:** I think they could. As was pointed out, we certainly don't see 1.9% as a tax. We see it as an investment in people's retirement.

**The Chair (Mr. Peter Tabuns):** I'm afraid to say you're out of time.



**Ms. Jennifer K. French:** Thank you.

**The Chair (Mr. Peter Tabuns):** We have to go to the government: Ms. Vernile.

**Ms. Daiene Vernile:** Thank you very much for coming in and talking to us this afternoon, Ms. Pitfield.

A question for you: Earlier this afternoon, we had a presenter who sat in the chair where you're sitting right now, who told us that a large percentage of seniors today have no issues maintaining financial security on retirement, and that they're going to be able to maintain their standard of living. However, we do know that CPP pays out, on average, \$6,800 a year, and we know that two thirds of Ontarians currently do not have a workplace retirement plan.

So, with that considered, tell me what your members are telling you about the realities of surviving as seniors with the salaries that we have now.

**Ms. Rosemary Pitfield:** Thank you for that. I can tell you that about 40% of our membership are over the age of 80, and probably about 25% to 40% of those are actually widowers and survivors, and a survivor pension is less than 50%.

Without something like the ORPP, the future generations who don't have what are our membership have—and our members understand that they have defined benefit plans, which is more than most people have, and the big concern for them is for the future.

We do hear from our members. The federal government has recently increased their cost for public health care, and I can tell you that I've had members sending letters in the last week who have indicated that they are going to have to cut their grocery bill, that they may have to stop taking certain medications because they can no longer afford it. There are people who can afford retirement, and that's wonderful, but there are many, many Ontarians and Canadians who cannot, and our members are included in that.

**Ms. Daiene Vernile:** When we see seniors who do have a stable, predictable income, what impact do we see on the economy?

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Ms. Rosemary Pitfield:** I would suggest—and we've actually seen it—that when seniors have a stable income, they actually have better health outcomes as well. So if we start to reduce what seniors have in retirement, then we're going to end up paying for it—and, I would suggest, double or triple—in our health care system.

**Ms. Daiene Vernile:** Thank you for the work that you are doing.

**Ms. Rosemary Pitfield:** Thank you.

**The Chair (Mr. Peter Tabuns):** To the official opposition: Ms. Martow.

**Mrs. Gila Martow:** Thank you very much for coming in. We're hearing from expert after expert—and it doesn't seem to end—saying that this is going to cause a huge reduction in jobs. I think that we would all like to see seniors have more income in their retirement. We would all like to see workers get paid more. We would

all like to see people have more benefits. But we don't want to have people lose their jobs by the tens of thousands in order to have a better retirement for others.

**Ms. Rosemary Pitfield:** Unfortunately, one of the things that we are seeing is that seniors are having to go back into the workforce in order to be able to sustain their retirement, which means that, in fact, they're taking away jobs from the future.

**Mrs. Gila Martow:** But what do you say to the people who are about to lose their jobs in order to roll out a pension plan?

**Ms. Rosemary Pitfield:** We heard the same things when CPP was expanded the last time, and that did not occur. I think that there are things that people will say in a way to keep change from occurring, but one of the considerations that we truly have is that we are seeing seniors increasingly staying in the workforce longer and into their 70s in order to sustain their retirement. That's only going to increase.

**Mrs. Gila Martow:** And what I would say is that we're hearing from many of our constituents of seniors who have had to go back and get part-time jobs to pay their hydro bill because they've seen their hydro bill triple. So it's not just any one factor, and I think that's what concerns us over here. One thing doesn't happen without affecting others, and we're hearing that small grocery stores are already being squeezed for various reasons. In small towns, if seniors have to get a lift if they can't drive anymore because there's no longer a small grocery store to walk to—all of these are grave, grave concerns for our seniors. Thank you very much.

**Ms. Rosemary Pitfield:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much.

## ONTARIO FEDERATION OF AGRICULTURE

**The Chair (Mr. Peter Tabuns):** Next presenter: Mr. Don McCabe, Ontario Federation of Agriculture. Don, you've probably seen that you get five minutes to speak and nine minutes of questions. I'll tell you when you're running out of time.

**Mr. Don McCabe:** Thank you, Mr. Chairman. I'd like to also offer for the record that the vice-president of the Ontario Federation of Agriculture, Peggy Brekveld, has been able to join me today. We thank the committee for the opportunity to present.

There is a submission that I'll be referring to, but some of you around the table know that I'm usually pretty good at straying from the notes.

I'd like to just start off with the issue of painting a picture of who the Ontario Federation of Agriculture is and the sector we represent. We represent 37,000 farm members from across the province. They are producing 200 different commodities on the scale necessary to meet needs here and abroad. At the end of the day, the proprietorship and ownership of these entities is quite diverse, from sole proprietorship to corporate to all other sorts of partnership in between.

When it comes back to this particular Ontario Retirement Pension Plan Act, I wish to step through the three points that the OFA would like to highlight at this point that are in concert with the submission that we made earlier:

(1) Exempt non-resident employees with Ontario employment from mandatory ORPP participation;

(2) Define comparable pension plans broadly to encompass as wide a variety of retirement saving options as possible; and

(3) Closely mimic the CPP design in terms of administrative requirements, with some notable exceptions.

Stepping up and now going through these in a little bit more detail, our purpose in requesting the exemption of non-resident employees is because, in particular in the agricultural sector within the fruit and vegetable or horticultural aspect of our business, we have a great number of employers out there who are using a seasonal worker program to bring in folks. At the end of the day, regardless of whether it's horticulture or any aspect of agriculture, the reality is that we buy at retail, we sell at wholesale and we pay the trucking both ways. Therefore, the issue of putting in this sort of a pension plan requirement is another cost to a business. That, as I've alluded to with regard to the proprietorship issues, can end up being a drain on the business itself.

1510

When we burrow down in the horticultural sector and this issue with the non-resident employees, we are seeing that this would be a transfer out of the country to folks who have come here for work. We certainly appreciate it because there's nobody else who is willing to do it. But at the same time, the issue of this request for exemption is that these folks have been paid for their efforts, and the retirement should be for them.

Moving to the issue of defining comparable pension plans, the ORPP does very clearly include an exemption of employees with a comparable workplace pension plan. Our concern is that there's no clarity at this time as to whether the current employee retirement benefit package will be considered comparable. We would like to see Bill 56 offer clarity to that issue. The OFA believes that "comparable pension plans" should be broadly defined to encompass as wide a variety of retirement saving options as possible. Again, clarification is absolutely necessary. We do not want the ORPP to cannibalize other retirement savings plans because this will not help achieve the objective of enhancing the retirement savings of Ontarians.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Don McCabe:** Thank you, Mr. Chair.

Therefore, we're really wishing to see a broad definition of comparable pension plans to include all employee group RRSP plans and all registered single employer or multi-employer pension plans, whether they be defined benefit, targeted benefit or defined contribution.

Finally, the sooner that we can get this to be part of the Canada Pension Plan the better, because it will reduce

administrative burden, and we wish to ensure that any complexities that would come out of this—as it is probably going to be enacted—would be minimized. We thank you for this opportunity to come before the committee today and ask you to refer back to our submissions here for more details.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. McCabe. We go to the government: Madame Lalonde.

**Mrs. Marie-France Lalonde:** Thank you very much for joining us today. I really appreciate your feedback, actually. As I understand, you had some opportunity to raise some of your concerns already with various groups on this issue. I don't know if you understand that Bill 56 is a framework for the Ontario Retirement Pension Plan.

One aspect that I want to raise with you—and maybe I'll have some of your feedback—is regarding the self-employed. I don't know if you know that self-employed Ontarians right now will be excluded, and the default is really at the federal level, unfortunately, because the act doesn't support that. So we're going to be working very hard to engage in conversation with our federal counterparts.

The landscape in terms of retirement savings in your industry, can you tell me a little bit about it?

**Mr. Don McCabe:** Thank you for the question. I wish to come back on the issue of the self-employed being exempted. It depends on how you wish to put that fence up on whether we're exempted or not. If it's a cost to our business—our business is our retirement plan, in some cases, because, like anybody else, you're going to wish to sell the business or move the shares over to others and so on and so forth; that is part of our retirement plan. The unintended consequences of having an added cost to that business can impact the longer-term issues of that business. With the 1.9% assessment that's here, using Stats Canada data, the Ontario Federation of Agriculture estimates the cost of the ORPP to Ontario agriculture to the tune of \$20 million.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** But I asked a question: Currently, if you look at the people who are working for you as a farmer, their retirement landscape, how does it look?

**Mr. Don McCabe:** That I cannot address directly because I believe it will depend on that individual's engagement with the industry they're involved in. It's a similar deal to saying that the minimum wage in this province is actually just a baseline. Folks who are more productive will have a higher wage and, therefore, would probably have a better opportunity. Whether or not pension plans then exist that help move that wage around, that is within that particular industry, and I know that some organizations are large enough to be able to offer benefits to that extent, but anything I would offer would not be conclusive.

**The Chair (Mr. Peter Tabuns):** Thank you. We're out of time. To the official opposition: Ms. Munro.

**Mrs. Julia Munro:** Thank you very much. There are several questions that I have, but I want to go back to a



moment ago, when this bill was described as framework legislation. I think that's important to keep in mind, because what it means is that we don't have a definition of "mandatory." We don't have an idea of exactly who is in and who is out. Those are all the kinds of things that will be in regulation.

Regulation, of course, is a private, invitation-only process. It's not one that is like this venue. So I think it's important to keep in mind, because obviously, while the government talks about the 1.9%—that apparently is mandatory—we don't have a business plan that explains why it's that amount. That, obviously, is part of the framework. You have to kind of guide yourself through what is actually being put forward and what will come later.

Agriculture is a very specialized business. It has issues that other businesses don't, and I'm glad that you're here to be able to provide that kind of understanding for the committee.

The point that you made about the transparency of the rules—again, that's something that will come along in regulation.

I found it interesting when you said that you were looking at a \$20-million cost for implementation. The Ministry of Finance, in an internal document, has suggested that for every \$2 billion that is collected through this process, there would be 18,000 jobs lost. It gives you an idea—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Julia Munro:** —of the kind of restrictions that we're faced with. How do you think that the average farm family/business is going to be able to respond to the 1.9%?

**Mr. Don McCabe:** Thank you for the question and the comments. I would offer up that the way that this will be responded to is to, in some cases, find more mechanization or remove that particular issue of commodity production from their business because they would not be able to warrant carrying that cost on their business. It will be decisions made at the farm level.

I wish to offer for the record that family farms can be corporations. The reason for that is that there are tax shelters to being a corporation. Ninety-seven per cent of Ontario farmers are family farmers, and some of them are corporations because they don't like Revenue Canada any better than anybody else does in this room.

**The Chair (Mr. Peter Tabuns):** And with that, we go on to the next question. Third party: Ms. French.

**Ms. Jennifer K. French:** Welcome to Queen's Park and thank you very much for joining us today.

I'd like to say that I appreciate your submission, reading through this, and I'll take the time to look at it more carefully. This is the first time, certainly in committee, that someone has brought up the issue of exempting non-resident employees.

I represent Oshawa and part of Durham region, and we have many seasonal workers who live and work in our communities. So while I'm not sure exactly where I land

in this conversation with you and we don't have to debate it today, thank you for bringing a voice to another group.

I do have questions, though, as to your call to closely mimic the CPP in terms of administrative requirements, with some notable exceptions. I would give you the opportunity to talk about what those notable exceptions would be and how you would like it to diverge from the CPP.

**Mr. Don McCabe:** Thank you for the question. The direct answer to that is, first of all, to open, the OFA recommends that the ORPP closely mimic the administration of the CPP (1) to provide clarity and transparency of rules by relying on the interpretation of existing CPP rules; (2) to minimize administrative complexities for employers, especially burdensome on small businesses; and (3) to simplify ORPP's future integration into an enhanced CPP.

Pardon me for all the analogies, but that's just faster.

1520

**The Chair (Mr. Peter Tabuns):** And you have about a minute left.

**Ms. Jennifer K. French:** Got it.

All of that, in terms of making it easier to integrate and less burdensome—yes, when it comes to the administrative side or cost and complexity, I hear you. That makes sense.

One of the things that I'm reading in your brief but you haven't mentioned here is—when it comes to farming, I imagine that you are concerned and are paying attention to what's happening in other provinces. Of course, the ORPP is a made-in-Ontario plan. Do you have recommendations on where they should go in terms of making it more Canada-wide or connected to other provinces?

**Mr. Don McCabe:** First and foremost, yes, we are concerned with our competitiveness, but it's not only Canada-wide; it's global-wide. The issue that we could end up losing food processors or other distributors, because of their reaction to an added cost, is of grave concern to us because, bottom line, I can't move the farm. If I had a hockey stick farm, I could move the hockey sticks, but I don't.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say, Don, we're out of time. Thank you very much for the presentation. Good to see you both here today.

**Mr. Don McCabe:** Thank you very much for your time.

## CANADIAN TAXPAYERS FEDERATION

**The Chair (Mr. Peter Tabuns):** Our next presenter, then, is the Canadian Taxpayers Federation: Christine Van Geyn. Ms. Van Geyn, you've seen numerous iterations. You have five minutes.

**Ms. Christine Van Geyn:** Yes, thank you.

**The Chair (Mr. Peter Tabuns):** If you'd introduce yourself for Hansard.

**Ms. Christine Van Geyn:** Thank you to the committee for having me. My name is Christine Van Geyn.

I'm the Ontario director for the Canadian Taxpayers Federation, which is a grassroots, not-for-profit citizens' organization dedicated to lower taxes, less waste, and accountability in government. We're funded by about 23,000 individual donations each year.

We've made our position clear on ORPP since it was first proposed. This is yet another tax burden on Ontarians that's going to make life in the province even more unaffordable. When this plan is combined with rising hydro rates, income tax hikes, health care premium taxes and the looming proposal of a carbon tax, the burden on Ontarians is simply unsustainable. Ontarians will not be better off with this proposed plan, which will cost employees up to \$1,643 a year.

The problem of undersaving for retirement is actually much narrower than a blanket scheme like ORPP demands. While there is a retirement savings gap, forcing all Ontarians, many of whom are adequately saving, into a government-mandated, mandatory scheme will leave many people worse off.

Ontarians can find better uses for their income than sending it off to a pension investment board for decades. Young couples will be financially better off if left with enough disposable income to pay their debts or to buy their first home. It will allow them to build fourth-pillar private assets in things like equity in a home or in a business.

Given the current economic and tax environment, increasing the burden on Ontarians through ORPP will not achieve the goal of increased savings. People will be forced to reduce other forms of savings, such as RRSPs and TFSA contributions, in order to maintain their standard of living.

The ORPP could also leave Ontarians worse off by putting employer-sponsored plans, like defined contribution plans and group RRSPs, in jeopardy. The government has indicated a preference to restrict the definition of comparable plans to only defined benefit plans. If ORPP is implemented, it could have the unintended consequence of causing employers to claw back 1.9% of their contribution to a private plan, or it could result in employers cancelling those private plans altogether.

Private sponsored plans have, on average, higher contribution rates than ORPP. Compare 6.5% for defined contribution plans, and 3.9% contribution through employers for group RRSPs, to the proposed 1.9% contribution through ORPP. The loss of these plans would unquestionably leave Ontarians worse off for their retirement.

Ontarians will also be worse off with ORPP because it will make employees more expensive to hire. It increases the cost of each employee and creates a new administrative burden. This will negatively impact job creation and could create a disincentive for business investing in the province, on top of actually creating labour market distortions in favour of large firms that are already offering defined benefit plans.

We also have serious concerns about ORPP's management mandate. If modelled on CPP as an actively man-

aged fund, management fees could end up costing those who contribute hundreds of millions of dollars each year in an attempt to do what is almost impossible, which is to beat the market.

We're also concerned that without a clearly legislated management mandate, ORPP will be used to underwrite—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Christine Van Geyn:** —the Ontario industrial policy of financing infrastructure. In fact, the 2014 budget stated that ORPP would be used to create new pools of capital “for Ontario-based projects, such as building roads, bridges....”

Pension funds do have an interest in long-lived assets, but pressure from Ontario politicians could undermine prudent investor behaviour. Investment in assets like that should only be made when it's going to generate the best return for those who contribute.

We're also concerned with this government's ability to manage the fund when its own public service pensions are faced with a \$75-billion unfunded liability and 92% of government defined benefit plans are unfunded.

This is an unfunded liability that's underwritten by the taxpayers, and if the government's management of ORPP is similar, it will be again the taxpayers underwriting that risk.

Finally, we believe that the government should not be undertaking large-scale and open-ended spending commitments given the province's \$12.5-billion deficit—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say you're out of time.

**Ms. Christine Van Geyn:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** Questions go first to the official opposition. Ms. Munro.

**Mrs. Julia Munro:** Yes. Thank you very much for coming. I think that one of the key things that people are starting to realize, as they understand a bit more about this proposal, is the question of lost jobs. Perhaps from the taxpayers' federation point of view, you could give us how you see that happening. How is it that in fact it's going to cost jobs?

**Ms. Christine Van Geyn:** It has the risk of creating losses in employment because it's a greater burden on employers that makes employees more unaffordable and increases the cost of each employee, in addition to actually creating new administrative burdens.

**Mrs. Julia Munro:** You mentioned that it was actually the budget that you quoted from, that “new pools of capital would be available.” When you look at other pension plans, which comes first, the investment or the pensioner?

**Ms. Christine Van Geyn:** It absolutely should always be the return on investment. However, if ORPP is modelled on something like the Quebec Pension Plan, which has a dual mandate which involves investing in the Quebec economy, we could see devastating results, like the 2008 loss of a quarter of the value of the Quebec Pension Plan after they chose to invest large quantities in things like asset-backed commercial paper.



**Mrs. Julia Munro:** I guess it would be a bit—the person who pays into the pension fund gets the bridge built and then gets to pay the toll on the bridge.

**Ms. Christine Van Geyn:** Yes. Simply, the priority for any pension needs to be the return on investment for the people who contribute. It shouldn't be treated as a pool of money that can be used to invest in government projects.

**Mrs. Julia Munro:** Did you have anything?

**Mrs. Gila Martow:** I would add that they may pay a third time because they pay into the plan, they pay to get that bridge built—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Gila Martow:** —they have to pay tolls on the bridge, and then they have to underwrite as taxpayers when there is no money in the fund for others who need to collect their pension. They have to, then, underwrite that as taxpayers. I'm just repeating what was said.

Is there anything you want to add to your presentation?

**Ms. Christine Van Geyn:** We just simply think that given the debt and deficit situation in this province, undertaking a scheme like this—especially when Bill 57 is pending—is a strange priority when there are vehicles for private savings that could be strengthened instead of a scheme that forces many people who are adequately saving into a program that takes their own money away from them.

**Mrs. Gila Martow:** Would you prefer to see the government make it mandatory for employers to match up to a certain amount of RRSPs to encourage people to invest in tax-free savings accounts and RRSPs?

**Ms. Christine Van Geyn:** We would simply prefer that a plan like this not be implemented.

**Mrs. Gila Martow:** Thank you.

**The Chair (Mr. Peter Tabuns):** Ms. French, third party.

**Ms. Jennifer K. French:** Thank you very much for joining us here today at Queen's Park. Just to continue on, you had mentioned twice that many people are not adequately saving. I'd actually be interested in having you expand on what we're talking about, and what adequate savings would look like.

1530

**Ms. Christine Van Geyn:** Adequate savings would be the ability to meet the same level of consumption post-retirement as pre-retirement. A number of witnesses who have testified have referred to the McKinsey study, which says that 83% of Ontarians are on track to meet their pre-retirement goals.

There are two groups that are not meeting those pre-retirement goals. It's people who don't have a plan through their employer and are also under-saving, and the other group is people who do have an employer-based plan and are not contributing sufficiently to it.

When it's only 17% of people who are faced with this problem—and to be fair, it is a problem—it's not right to treat a problem like this with a sledgehammer, forcing

everyone into a plan, when the vast majority of people are adequately preparing themselves.

**Ms. Jennifer K. French:** You bring up the McKinsey study, and you're right: We've heard a lot about that, and it's interesting. I'm interested in finding out what the definition of "households" is, because we're hearing that term come up.

You had suggested that it would be a good idea for people to build equity in a home or in a business. While I'm not arguing that point, I wonder: What do we say to those who are not young couples, as you had mentioned, but are single-income families struggling in the margins? Should they set their cap on equity in a home or in a business?

**The Chair (Mr. Peter Tabuns):** One minute left.

**Ms. Christine Van Geyn:** Actually, the people in the margins often are preparing adequately—not preparing adequately, but many of them will be able to meet the same consumption levels in their pre-retirement and post-retirement, just because they have such low levels of expenditures to begin with. The people in the margins are not actually going to be well served by ORPP and could be faced with clawbacks to OAS or GIS if it's implemented.

The savings problem is actually more in the middle class.

**Ms. Jennifer K. French:** I don't know if we have time, but we've also heard from the business community that it creates an uneven playing field to have some plans be exempt and others not. Would you say that that's a fair point?

**Ms. Christine Van Geyn:** It would create distortions in the labour market to show a preference to either unionized workplaces or to large firms.

**The Chair (Mr. Peter Tabuns):** I'm afraid you're out of time.

We have to go to the government: Mr. Anderson.

**Mr. Granville Anderson:** Hello. Thank you very much for coming. I have heard yourself and a number of other presenters refer to the McKinsey study. It's a study that's based out of the United States of America, in case you didn't know that.

There are three other Canadian studies that I've never heard referenced by the opposition or people like yourself, speaking from your perspective.

RBC, for instance, said that:

—39% of respondents said—enough Canadians do not put money away for retirement;

—30% said they have not yet begun saving for their retirement;

—75% of female respondents said they do not have a retirement savings goal, compared to 62% of male respondents;

—67% said they have done no retirement planning; and

—39% of women polled said they do not have an RRSP, compared with 31% for men.

Sun Life Financial: 60% of respondents now expect to work past 65, up from 48% in 2008.

CIBC: 54% of Canadians said they are not making contributions to an RRSP for the 2014 tax year.

You are paying no attention to Canadian studies. Are you saying that these are not reputable, that you would rather rely on one US study that supports your point of view? I don't believe that's a balanced approach.

I have met a lot of people in my riding—health care premiums, for instance. Last week, a neighbour returned from the US. I said, “Why are you back here from sunny, sunny California?”

“It's because of health care,” she said. “I had a child. I went to emergency. I paid \$6,000 for an emergency visit.”

These are the things we pay premiums for, because we expect return and we expect good-quality health care.

Hydro rates: If the Conservatives had paid any attention to upgrading the system, hydro rates wouldn't be as high as they are now. Do you remember 2003? I am sure you're old enough to remember that. That's why hydro rates are high, because we are paying for—

**Mrs. Marie-France Lalonde:** A debt.

**Mr. Granville Anderson:** —the debt, the faults of the previous Conservative government because of taxes.

Please respond to these questions. Thank you.

**Ms. Christine Van Geyn:** In my remaining time, I would refer you to a number of other Canadian studies. For example, there was a 2009 StatsCan study, if the McKinsey study is not sufficient for you, that found that 69% of Canadian households are saving enough to meet 100% of their retirement consumption levels, and 78% are saving enough to meet 90% of that threshold—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say it, but you're out of time, and we have to go to our next presenter.

*Interjections.*

**The Chair (Mr. Peter Tabuns):** Colleagues, order. Thank you. Thank you, Ms. Van Geyn.

## LABOUR ISSUES COORDINATING COMMITTEE

**The Chair (Mr. Peter Tabuns):** Labour Issues Coordinating Committee: Ken Forth and Ken Linington. Gentlemen, you have up to five minutes. I'll give you notice when you're running out of time, and then there will be questions from all three parties. If you'd introduce yourselves for Hansard.

**Mr. Ken Linington:** Thank you. I'm Ken Linington, and Ken Forth is the chair of LICC. We appreciate the opportunity to comment on the Ontario Retirement Pension Plan. The Labour Issues Coordinating Committee is a coalition of agricultural and farm organizations representing the interests of Ontario farm employers. It was formed in 1991 to develop consensus in the farm employer community on employment and labour-related issues and represent those collective positions to government.

Ontario has 57,000 farms, of which 20,000 employ a broad range of skills from a very diverse labour market. Ontario farms are small and medium-sized businesses with no publicly traded corporations.

Typically, the industry is a high-capital, high-risk, low-return industry. Many are incorporated for tax purposes but are family owned, with only a handful of exceptions.

Ontario farms employ roughly 100,000 workers in a predominantly seasonal industry. Roughly 18% are temporary foreign workers, with close to 16,000 alone coming from the seasonal agricultural workers program that originated in the mid-1960s.

Workers are found in every commodity across the province but are more prominent in the mushroom, greenhouse flower, greenhouse vegetable, field fruit and vegetable, and hatchery industries. Access to a reliable workforce is often the most limiting factor to the capacity of our industry.

Agriculture is an industry where farmers must manage biological processes that are subject to climatic and environmental conditions, dictating a flexible management approach. It involves a family orientation that competes in the global market. Unlike McDonald's or Best Western hotels, our competitors are not across the street. They are indeed other countries, developing countries in particular. Competing countries are not obligated to comply with a whole host of Ontario societal regulations like environmental standards, food safety standards and, more significantly, our labour standards.

Agriculture is composed of food production, ornamental production and, more recently, industrial production. Food is often a political football, with both the United States and the EU subsidizing their industries.

Farming is the largest domestically owned industry in Ontario and dominates the rural economy.

Our largest competitor, the United States, and more specifically the state of California, relies heavily on undocumented workers: 75% of farm workers in California are undocumented workers. Our food industry sells into a grocery value chain dominated by two or three players that focus on the lowest-cost provider.

Should there be an Ontario registered pension plan? In short, no.

The province feels that the Canada Pension Plan is inadequate and is proposing an enhancement to the program. Their concern is that some Ontarians are not saving enough for their retirement years, and through this legislation, they will reduce poverty and dependence on government support programs.

The written consultation focused on a set of specific questions, many of which we found difficult to answer without the benefit of a number of impact studies and a thorough knowledge of the pension industry.

### 1540

Poverty reduction is an admirable goal, but without truly understanding the fiscal burden and its impact on the economy, is a pension plan a better vehicle than, say, removing income tax or other legislated fiscal burdens on lower-income earners?

**The Acting Chair (Mrs. Julia Munro):** You have one minute left.

**Mr. Ken Linington:** We do not believe you can legislate wealth or legislate the creation of wealth. Like



minimum wage, we believe that a pension plan is a very coarse and poor tool for low-income earners.

Agriculture is a very mature industry that operates in a global economy. Ontario has the best soils, climate, and farm practitioners in the world but, when shackled by a broad range of legislated burdens, functions on a 5% to 6% margin.

If we are to look at the advantages to either enhancing or developing a plan that mirrors the CPP, we do feel that there are certain advantages. However, there are many questions we have around making a mandatory pension plan for people who are not Ontario residents. This could include people from neighbouring provinces, the United States, or any of the countries participating—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that you've run out of your time. We're going to go to the first questioner: Ms. French, third party.

**Ms. Jennifer K. French:** I appreciate your taking the time to come here to speak with us today, especially because it's refreshing to be reminded that there is a rural economy outside of Toronto that we all benefit from. So again, thank you very much for bringing that voice.

I would actually be interested in hearing the rest of what it was that you were saying, if you'd like to—

**Mr. Ken Linington:** I was just going to complete the—we feel the pension plan should not apply to temporary foreign workers, since they are not Ontario residents and, when their work is complete, they do not live in Ontario.

**Ms. Jennifer K. French:** Thank you. I was listening so intently I wasn't thinking of what I was going to ask you. I appreciated also when you were talking about the different parts of your industry, whether ornamental or food, and being a political football. I appreciated being reminded of that. There are many political footballs that we're seeing here at this Legislature.

Not saving enough for retirement, as you said, is certainly a problem. What would you say might be a solution—you had said that you don't agree with or support the ORPP. If we were wanting to put forward a strong and far-reaching poverty-reduction strategy, what would you think that might look like in your industry?

**Mr. Ken Linington:** I think if that is something that Ontario society wants, then Ontario society should participate in it—all of society, not just the employer sector. Part of the concern that we have with this particular plan is that it will impact the sectors that have the least capacity to contribute. Agriculture is a mature industry—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Ken Linington:** There's not a deep well there, and we employers don't have control over the value of our product. We sell into a marketing chain that has two or three giants. They buy from all over the world—whichever is the cheapest.

**Ms. Jennifer K. French:** I don't have any other pressing questions. If there's anything else you wanted to add in our limited time, or I'll thank you.

**Mr. Ken Linington:** No.

**The Chair (Mr. Peter Tabuns):** Thank you. To the government. Ms. Mangat?

**Mrs. Amrit Mangat:** Thank you for your presentation. I really appreciate your comments about the rural economy, which plays a big role in our broader general economy.

I'm pleased to share with you that I have spent some of my youth in a rural area, at a farm, and I also ran a small business before entering into politics. So I fully understand where you are coming from, but I'm also sure that you're aware that our government's preferred approach was CPP enhancement. The government is moving forward with the ORPP because of the federal government's negligence. Our government has been very mindful of the impact of the ORPP on business. That's why we are enrolling in stages, and it would be phased in. ORPP will be introduced in 2017 to coincide with planned EI premium reductions. It's not being introduced in isolation, and our government has reduced a significant number of regulatory burdens when we implemented HST, lowered corporate and personal income tax and brought a Better Business Climate Act.

My question is, having said that, can you shine some light on what the retirement savings scenario would look like in the field of agriculture and how it would be different and separate from the other industries?

**Mr. Ken Linington:** Agriculture is a highly seasonal industry. When we talk about 100,000 individuals, you cannot think of that in terms of 100,000 persons a year equivalent. That is one of the real challenges of having a seasonal industry. We see people coming into and leaving the industry all the time. How do you have a savings—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Ken Linington:** How do you have a savings plan? I think there's a real challenge in that because a big part of the industry is constantly mobile and workers drift in and out, so it could not be done uniquely or in isolation with agriculture. It would have to look at where there are other forms of employment, what times of the year, where in the province and those types of challenges.

**Mrs. Amrit Mangat:** But that's why we are moving for ORPP.

**Mr. Ken Linington:** And we find that there's a cost to both the employer and the employee in the sectors of the economy that can least afford it. So if we are serious about wanting to reduce poverty, why would we not look at societal capacities and not just rely on the individual worker—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say, but time is up and we have to go to the official opposition. Mrs. Munro.

**Mrs. Julia Munro:** Did you get to finish your sentence?

**Mr. Ken Linington:** Close enough.

**Mrs. Julia Munro:** Okay. A couple of things, I think, are really important. You mentioned about these issues and the groups that are least able to support this initiative.

I think that you'd agree that this is framework legislation. The government has described it that way. But what that means is that anything that is not in the bill is then dealt with as part of a regulation, and regulations are by invitation only and they're not like this; they're not in an open, public forum. So I think you have to be cognizant of that when you're looking at whether or not you would support this legislation as it stands. Are you in a position to make that decision?

**Mr. Ken Linington:** No, I can't say that we really are.

**Mrs. Julia Munro:** Okay.

**Mr. Ken Linington:** One of the things that we found as a challenge when it came to answering the questions was that we don't have access to impact studies and we are not insurance people or pension people. We are agriculture; I can tell you how to grow things. So as a group that's making a presentation, how much time, energy and effort do you spend to become an expert in pensions? I guess our answer is that the expertise is either sitting around this table or you have access to it. What we're presenting are our feelings, given the information we have.

**Mrs. Julia Munro:** I think that is the object, and you certainly are performing admirably. I think one of the things about this—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Julia Munro:** —that characterize it is that it's mandatory. It's mandatory that everyone belong and that it's 1.9%. We have no idea of the business plan that determined that amount or who should be in or what is a comparable pension. None of those questions have been answered either through this process or through the legislation proposed as it is. So your feelings are certainly shared by many others.

**Mr. Ken Linington:** Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you very much for your presentation.

#### MR. RICHARD PIEPRZAK

**The Chair (Mr. Peter Tabuns):** Our next presenter, Richard Pieprzak. I apologize for mangling the pronunciation.

**Mr. Richard Pieprzak:** You did a very good job. Thank you.

**The Chair (Mr. Peter Tabuns):** As you know, you have five minutes to present and nine minutes of questions. I'll give you notice when you're running out of time. If you'd introduce yourself for Hansard.

1550

**Mr. Richard Pieprzak:** Okay. My name is Richard Pieprzak. I am a group plan adviser in the southwestern Ontario marketplace; I work out of London. I do appreciate the opportunity to come here this afternoon to speak with all of you.

I appreciate the Ontario government's concern for the degree to which Ontarians are prepared—or ill-prepared,

if you will—for retirement. I'm here this afternoon speaking to you as an individual, drawing from my experience as a group retirement plan adviser. The plans I oversee consist of group RRSPs, group RRSP-DPSP combo plans, group RRSP defined contribution registered pension plan combination plans, and pure defined contribution registered pension plans.

I believe that Ontarians need help, but not in the way that you might think. In the plans I oversee, the participation rate is well in excess of industry averages. Many of these plan members are working people in the manufacturing sector, for some of whom their contribution to the retirement plan represents a significant sacrifice. In their words, they "really can't afford to contribute." In other words, they really can't afford not to because of the matching contributions made by their employers, but they do.

In most of the plans, the minimum employer plan sponsor contribution for employee contribution matching purposes exceeds the proposed 1.9% ORPP employer contribution. Many plan members, in fact, are contributing far more than the 2%, 4%, 5% or 6% that the formula in the plan requires.

These plans, in my opinion, are an excellent example of employers offering a valuable deferred compensation scheme, and employees taking advantage. These employers, plan sponsors and their employees don't need help or encouragement when it comes to promoting or saving for retirement. I believe that the ORPP should be exempting these Ontario employers and employees. The ORPP definition of "comparable plan," which has been discussed many times in the last 45 minutes, so I won't belabour it—I would personally like to see that the definition is changed to accommodate these people who are doing their job saving for retirement.

Where do the savers need help? Many plan members are ill-informed in the whys, hows and wherefores of RRSPs, pensions and retirement saving in general.

My next point speaks to the November 2, 2009, Minister of Education press release that said, "We're now going to introduce financial literacy into the high school curriculum." I had the opportunity to take a look at the curriculum; in fact, I know a lot of teachers in the London and southwestern Ontario marketplace—guidance counsellors—and recently spoke to them. In spite of what the curriculum document indicates, there is not a lot when it comes to financial literacy. To wit, I went to the document and did a word search on "RRSP" and it occurred twice in about 230 pages. RPP: zero times; LIRA: zero times; RIF: zero times; and "locked," referring to locked-in plans: zero times.

In my opinion, ORPP seems to philosophically oppose the desire or need to raise financial literacy. We're talking about a benefit that's going to happen and take care of people. They're going to put their money in; the employer is going to put their money in. Perhaps a better approach to achieving the government's goal of helping Ontarians prepare better for retirement would be to provide an incentive for employers without workplace savings plans to offer one.



**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Richard Pieprzak:** Supplement that incentive with another reward if the employer or plan sponsor demonstrates that they are doing their part to raise financial literacy in the workplace.

I'll end it with saying this: Remember, if you give a man a fish, he eats for a day, but if you teach him how to fish, he eats for a lifetime. Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you, sir. First to the government: Mr. Dhillon.

**Mr. Vic Dhillon:** Thank you for your presentation. I myself am an ardent, strong supporter of financial literacy for students as early as possible in school. More importantly, when kids graduate from school and go on to post-secondary education, they need to know the choices that they're making. After they graduate from their post-secondary field of study, they're presented with job offers and later on they have to make decisions on buying a house or a condo, a car etc., on and on and on.

With respect to this, I'm going to be putting forward a motion some time in April asking the House to agree on the fact that we should do more in terms of financial literacy. I agree that the terms you mentioned, "RIF," "LIRA," "RSP," "insurance" and "interest rates" should be the bare minimum, the ABCs, of what kids should know. I personally believe that will go a long way in ensuring that a person has a comfortable retirement.

Having said that, I don't think that alone is enough, because of market forces. You may plan to the best of your ability—for example, we had the recession, and a lot of people, including myself, lost quite a bit in our investments. So the volatility may not make it possible for financial literacy alone to guarantee a decent retirement.

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Vic Dhillon:** Could you give us some advice as to how government should go about financial literacy in terms of whatever we're going to be—

**Mr. Richard Pieprzak:** Sure, absolutely. That's a great question. One of my concerns speaking to that is that kids go through elementary school, and then they go through high school. We encourage our own children to get those high marks so that they can gain acceptance to college, gain acceptance to university. Then that prepares them to create arguably the biggest asset that they'll ever have in their lifetime: \$50,000 a year for 20 years is \$1 million, and we haven't taught them anything about how to deal with it.

I would include a required course in the high school curriculum. I've been advised that there is a grade 10 careers course. In that careers course they speak—it might be for an hour, but that would be pushing it. It's probably closer—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that your time is up with the government. I have to go to the official opposition. Ms. Martow.

**Mrs. Gila Martow:** Thank you so much for your presentation. I remember actually in high school learning

about reconciling bank accounts. That was the first time I heard the word "reconcile"; I remember it was on a test.

I feel that you sort of hinted that there's a lot of great plans that employers have that are actually much better than this plan the government is rolling out, and these plans won't be exempt. They'll have to switch them from the defined benefit plans into the new Ontario pension plan. My colleague and I have been discussing quite often that part of it is that the government wants to use this money to invest in infrastructure. I think "new pools of capital for infrastructure" was in the last budget. Do you think that's why the government wants to force these plans to transfer? Do you have any thoughts on the matter?

**Mr. Richard Pieprzak:** It's interesting, because we haven't been told, really, otherwise. These are valid plans. These are good plans, especially a defined contribution plan where employer and employee contributions are locked in. They can't access them. They are protected. They are under Ontario pension law, if they're governed under Ontario law, for retirement. To not exclude them, I'd have to think that there must be another agenda that's going on that requires companies and employees to participate.

**Mrs. Julia Munro:** Can I just ask you one quick question?

**Mr. Richard Pieprzak:** Sure.

**Mrs. Julia Munro:** Many times people have suggested that a DB carries with it less risk—they don't use that word. I'm just wondering, when you look at defined contribution, is there a difference in risk?

**Mr. Richard Pieprzak:** I think the risk with a defined—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mr. Richard Pieprzak:** I think the defined benefit plan risk—and I've seen it—is that it becomes underfunded. The employer isn't able to bring it back to a level of fundedness, and then the person walks away when the company is wound up, or they leave the plan with a commuted value somewhere less than 100%. I would argue that a well-managed defined contribution plan is as good, if not better.

Again, that speaks to financial literacy. As far as the volatility goes, that's all part of financial literacy. If you don't understand the forces that push and pull your investment, then you will unfortunately be a victim when something bad happens.

**Mrs. Julia Munro:** Thank you.

**Mr. Richard Pieprzak:** You're welcome.

**The Chair (Mr. Peter Tabuns):** Thank you, Ms. Munro. Third party: Ms. French.

**Ms. Jennifer K. French:** Thank you very much for joining us here today. I come to this role from the classroom, so when we talk about the importance of education, you're speaking my language.

1600

**Mr. Richard Pieprzak:** Good.

**Ms. Jennifer K. French:** And certainly when we're talking about financial literacy, I can appreciate that. I've

taught at various ages, understanding that you're not going to talk about RRSPs in grade 5, but you can make it an appropriate conversation for the ages, and I appreciate that.

I remember in high school learning about compound interest, seeing the graphs and what it could do for you and how it could work against you. I thought of those things later in life when I was forced to live off credit cards and figure out how I was going to navigate the system with student debt and all of the above. I think, as we've heard, that that financial-literacy piece is very important for the education side, but recognizing that it can also mean that individuals know just how badly things are going when they're forced to live under difficult and challenging circumstances.

I know you were here earlier when we were hearing from others that despite how Canadian we are, we can't grow hockey sticks. I also know that money doesn't grow on trees; we do need to focus on jobs and growing the economy, I guess.

You had made a point earlier about—well, not just a point. You were talking about matching contributions in various plans. How important is that to the growth of an investment, to have matching contributions as opposed to just the plan members' contributions?

**Mr. Richard Pieprzak:** I'd say it's extraordinarily important for all of the people. This is one of the things that I end up talking to them about. These are people who have—for example, I'll quote one plan. An employee can contribute up to 4% of their base wage and have the employer match it right away. That's a little different from my situation, where if I put 4% of my income into an RRSP and I'm earning 10% a year, it takes a little over seven years to double that money. They double their contribution instantaneously, so it goes a long way.

**Ms. Jennifer K. French:** A plan that doesn't have that matching contribution, or the employer obligated to match—or exceed, just for fun's sake: Should plans like that be considered comparable?

**Mr. Richard Pieprzak:** No, not at all. I think it's a little bit much of a stretch to consider just an employee contributing to a group RRSP—no, that wouldn't be considered comparable.

**Ms. Jennifer K. French:** We have Bill 57 coming in, and the onus is on the employee, so I was just sort of curious, because—

**Mr. Richard Pieprzak:** They can take advantage of things like the Home Buyers' Plan and Lifelong Learning Plan and still not have money for retirement. There are a lot of opportunities for abuse.

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that we're out of time. Thank you for your presentation today. We appreciate it.

**Mr. Richard Pieprzak:** Thank you for your time.

MR. ALEX BERTOLA

**The Chair (Mr. Peter Tabuns):** Members of the committee, our next presenter, Unifor Local 444, hasn't arrived yet. We'll go, then, to Mr. Alex Bertola.

Mr. Bertola, you have five minutes to present. There will be nine minutes of questions. I'll give you notice when you're running out of time. If you'd introduce yourself for Hansard.

**Mr. Alex Bertola:** Thank you very much. My name is Alex Bertola, and I'm hoping to bring you a different view. I'm an employee of a company that offers a mandatory registered pension plan in Ontario, and I'm presenting to you as an employee and as an Ontario resident.

My plan allows, or calls for, a mandatory 7% employee contribution, and my employer puts in 5%. Right off the bat, I've already doubled my money right off my first deposit. My DC registered pension plan allows me the investment choice—not dictated. I control my investments.

I have a wide range of investments. One of the “benefits” of the ORPP is a benefit for life. My registered pension plan allows me a benefit for life. I can purchase an annuity. I can purchase a life income fund. I have those options. The only option I have in my ORPP is an annuity payment.

Speaking of an annuity payment, it will actually decrease based on my death, whereas if you had an RSP in your bank, or had a personal bank account or a TFSA, and you deposited \$5,500 every year and then passed away, your husband walks in—or your partner, sorry; I don't want to make any assumptions. Your partner walks in and they're told, “No, no, no. You only get 40% of that.” What would they tell the bank? “That's not fair. It's \$5,500 of my spouse's money. It's my money. It shouldn't be clawed back or cut in half.”

Pooled investment risk: We know the history of Ontario governments. It doesn't matter if it's Conservative or Liberal; it doesn't matter what it is. When the cost comes in, if they estimate that it's a billion, triple it. If the annual administration is going to be \$300 million, triple it. They're not experts in this industry.

I can control my own investments. I have a very low investment management fee. I can walk up and down this hall and ask individuals, “What are the MERs in your accounts?” and 99% of you won't even have a clue. I know that my average investment management fee is 70 basis points. I do well with that.

The cost of operating this: 1.96% of my money and 1.96% of my employer's money. What percentage of that is going towards administration? What percentage of that is going to fund a person who is not contributing to the ORPP yet is receiving that benefit? That's unfair. Part of my money is going to fund somebody who is not contributing.

You know what? It's time to wake up. Let's get people motivated. Let's get people excited about their retirement, get people educated about their retirement. Some 60% of companies out there do not offer retirement programs. Why not? It's a cost. They don't see an incentive. Provide incentives for them, as my company does.

Affordability: My DC registered pension plan moves with me wherever I go. If I decide I'm going to move to



Vancouver or to Montreal, my plan moves with me. ORPP does not move with me. It stays here. Who knows what is going to happen with it?

**Retirement readiness:** In my plan and my accounts, I can tell at any single point what I'm going to have at the time of retirement. I can plan with my spouse. I know exactly what my income can be, based on returns, based on future forecasts. ORPP does not do that.

**Canada Pension Plan—I tried to find my statement.** It took me 15 business days just to get an activation number and then another five days to figure out how to navigate this thing. It's not commonplace.

Let's figure it out. Allow me and allow Ontarians to control and get engaged in their retirement planning. I want to control my investments; I don't want to be dictated to, so stop trying to put your finger into it. Ontarians don't need to be controlled. They don't need to be babied. If you want to talk about financial planning, it's three simple numbers. I've figured this out, and I'm not a financial planner—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Alex Bertola:** Take 75% of your household income. That's what you should target at the time of retirement. How to get there? Put away 10% a year, at a minimum, between your household income. Once a year, sit down and review it. Have a conversation. Talk to a financial planner. Get involved. That's what it comes down to. There you go.

**The Chair (Mr. Peter Tabuns):** Okay. Thank you, sir. Questions go to the official opposition. Mrs. Munro.

**Mrs. Gila Martow:** I'm going to go first.

Thank you. That was so refreshing. I think what you're trying to say is that you don't want to live in a nanny state and you see us on that slippery slope, where that's where we're headed—that people shouldn't have to think for themselves and plan for themselves.

What I would suggest to everybody in the room is that people can accrue incredible personal debt. Just because they have two pension plans—you know what? They could have five pension plans. If they retire with no home equity and they've racked up multiple credit card bills and maybe borrowed from family members, they're not going to have any money to live on either.

I just want to thank you very much for coming in. My colleague has some questions.

**The Chair (Mr. Peter Tabuns):** Mrs. Munro.

**Mrs. Julia Munro:** I just have one. This is a quote from the 2014 budget, and it suggests that by "encouraging more Ontarians to save through a proposed new Ontario Retirement Pension Plan, new pools of capital would be available for Ontario-based projects such as building roads, bridges and new transit." Is that the real purpose of this bill?

**Mr. Alex Bertola:** No, that should not be the purpose of this bill. We know that the roundabout way of this is—you can't be blind to it. It's an Ontario tax grab. That's all that this is. The number one investment choice for whoever is going to pool the investments—they're going

to purchase Ontario savings bonds. It's going to go to infrastructure. It's not going to go towards retirement savings.

I'll give you the best example. Right now, one of the electrical unions, what they've done with their plan members—if you have not contributed for two years, they've given you two options: commute the value, where you receive 50% of that value right now. The other 50% is held back for another five years. Based on market volatility, you'll receive either the maximum of 90% or as low as 60%.

What have they done with that money? They've taken it and invested it back in projects. They're trying to invest it back in the market. That's all that this government is going to do.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Alex Bertola:** That's it. It's just a tax grab. You're \$900 million short in your budget? How didn't you know that during your election? How are you \$900 million short? The only way to come up with this is to raise personal taxes, raise corporate taxes or ORPP, and that's what they're going to do. That's how they are making their funding deficit.

1610

**Mrs. Julia Munro:** That's right.

**The Chair (Mr. Peter Tabuns):** That's it?

**Mrs. Gila Martow:** Thank you.

**The Chair (Mr. Peter Tabuns):** Okay. Ms. French, third party.

**Ms. Jennifer K. French:** Thank you very much for coming today. I would echo the concern that, certainly, the money needs to be kept—if it's going to be kept in a big and growing pool, certainly arm's length isn't far enough. So I would echo that we need to do what we can to put that far out of reach.

You made a couple of points, and I appreciate—actually, it reminds me of conversations at the kitchen table with my father, in terms of what percentage of what I was making should go to this or that. While you said you're not an expert, you clearly are very involved in your own investment and your own financial literacy, and I applaud you for that.

As you had said, the government—not experts. Sitting around this room, we're not pension experts per se. What would you encourage the government to do in terms of ensuring that there are experts involved in handling this?

**Mr. Alex Bertola:** There are so many things that can be done. It is starting off at grassroots. It is educating at a younger age. It is getting into the schools.

I was very fortunate that I had that conversation when I was a lot younger. I'm a social worker by background. That's the scary part, if you really want to get into the whole thing of it. I started off in that whole belief that, yes, we need to take care of everyone. I quickly moved to "You can't take care of everyone." They need to stand up and take care of themselves.

Actually, it shocks me that there are not more people like myself coming down, as a resident of Ontario, and

expressing just total concern for this. So it is getting out there. It is talking to people. It is starting off at the grass-roots, putting people like myself—getting our feedback. How would you design a proper retirement program? It is having multiple investment selections.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Alex Bertola:** It is encouraging people to stand up and get involved. Take the time. Actually, give incentives for plan sponsors to match contributions. If the target is 10% contribution, and they put in a five-and-five, give them a great incentive for matching that five-and-five.

Right now, 60% of companies aren't offering it, and 40% are. Of that take-up rate, only 60% of people are taking advantage of it. Why aren't they? It's not because they can't afford to. It's a matter of getting out there and telling them, "You can't afford not to do this."

It's getting in their face, and that's what the Ontario government needs to do. Stand up and say: "You know what? We've got you, plan sponsors. This is great. We want to have this debate. We are now changing this. We're not going to put in this ORPP. You know what? We're going to give you an incentive to actually put this in place. We're going to mandate retirement programs, but not controlled by the Ontario government."

**The Chair (Mr. Peter Tabuns):** Okay, your time is up.

Madame Lalonde, for the government.

**Mrs. Marie-France Lalonde:** Thank you very much for being here. Certainly, you're bringing a perspective on the ORPP.

Just to let you know, I was a social worker also. I became a business person. Unlike you, though, I have to say I still believe that three million Ontarians in this province are not saving enough. I think it's two thirds of the people of Ontario who are not saving at all.

Where do you work right now?

**Mr. Alex Bertola:** I work for Manulife Financial. Why?

*Interjections.*

**Mr. Alex Bertola:** Whoa, whoa, whoa. That has nothing to do with this.

**Mrs. Marie-France Lalonde:** No, no, that's okay. I just wanted to know. No, no—

*Interjections.*

**Mr. Alex Bertola:** No, the gentleman in the far corner has a problem with where I work.

**Mrs. Marie-France Lalonde:** No, I think my question is because the level of your knowledge is extraordinary, but most Ontarians don't know all that. In all fairness, I am very involved with my financials, but I'm certainly not as involved as you.

I do believe, with my background as a business owner and as a social worker, that this government taking that leadership in bringing forward a way of contribution, I would say, and ensuring that security, that predictability, of having a revenue for spending dollars as we're aging to contribute back to our economy, is good business

sense from this government. That way, when our 25-year-olds of today retire at 65—who knows at what time they will?—they will have more than what CPP is offering right now, which is definitely not enough at \$6,800 a year, on average. And you know your numbers. We have a maximum of \$12,500 that we can contribute—

**The Chair (Mr. Peter Tabuns):** You have a minute left.

**Mrs. Marie-France Lalonde:** Unfortunately, the average is \$6,800. How would you say to that worker, when he retires, that he's going to trust someone, based on the—

**Mr. Alex Bertola:** Volatility.

**Mrs. Marie-France Lalonde:** —volatility; thank you—of the market, as to how much money he will have to retire?

I just want to say one more thing: portability. You mentioned that. I have to say that I was born here but grew up in Quebec, and for a period of my life I know that I contributed to the Québec Pension Plan. When I retire, that money will be there for me. So if tomorrow—not tomorrow; a few years from now—I was to choose to go to British Columbia at 65 years of age, my contribution to the ORPP will be there for me.

**Mr. Alex Bertola:** But at what value, ma'am?

**Mrs. Marie-France Lalonde:** Pardon me?

**Mr. Alex Bertola:** At what value? It has not been outlined—

**Mrs. Marie-France Lalonde:** You know what? This is a plan—

**Mr. Alex Bertola:** You've not dictated—

**The Chair (Mr. Peter Tabuns):** Excuse me, both of you. Time is up. Thank you, Mr. Bertola. I appreciate you making your presentation.

**Mr. Alex Bertola:** So I don't get a chance to reply?

**The Chair (Mr. Peter Tabuns):** No, you don't, actually. Thank you.

MR. IAN LEE

**The Chair (Mr. Peter Tabuns):** We have our next presenter: Ian Lee, I believe. Ian, you're on tele-conference.

**Mr. Ian Lee:** Yes.

**The Chair (Mr. Peter Tabuns):** You have five minutes to present and then we will have nine minutes of questions rotating between the parties. I'll give you a minute's warning before your time is up. Mr. Lee, please proceed.

**Mr. Ian Lee:** Okay. Thank you very much. First off, I'll very quickly give three disclosures.

Number one, I do not consult for anyone or anything, anywhere—not corporations, not unions, not NGOs, not governments, not persons, not trade associations. One hundred per cent of my income is from Carleton University.

Secondly, I only source authoritative, reliable data, which I define as organizations such as Stats Canada and the US Census Bureau; international governmental or-



ganizations such as the OECD, the IMF, UNCTAD, that sort of thing; and thirdly, OECD government departments. I do not source union or NGO data as they are policy advocates and they're not neutral, as government agencies are.

My third disclosure is that this presentation I'm giving today—I do have the slides, which I will provide to your committee after I've presented today—is based on a peer-reviewed paper by Chancellor Professor Vijay Jog and myself on Canadian pension debates—the debates concerning Canadian pension reform in Canada. Professor Jog was one of the five professors who provided background papers to the 2011 first ministers' conference on pension reform in Canada that was called by the late finance minister, Jim Flaherty.

Essentially, our argument is that there is not a pension crisis in Canada. There is not a pension savings crisis in Canada. And we make that statement based on the empirical data.

First and foremost—and I have all these graphs, as I said, which I will provide to the committee after the fact; I'll email them to the Clerk—this is all from, as I said, reliable sources such as OECD. Canada—this is from the OECD Pensions at a Glance 2013—has the third-lowest level of elder poverty in the OECD at 7.5%. The OECD, of course, are the wealthiest countries in the world with the highest standard of living. We have the third-lowest level of elder poverty in the world. Only France and the Netherlands have slightly lower elder poverty than we do: just below 7.5%. So that's the first issue.

The second issue—and this is based on Stats Canada, the quarterly household balance sheet that publishes the famous debt figures that are often quoted, but what is not so often quoted are the asset numbers. Canadians—and we're talking individual Canadians, not corporate assets or government assets—have \$9.5 trillion in aggregate gross assets, less the famous \$1.7 trillion, so our net worth is around \$8 trillion or approximately \$250,000 per person, although I should immediately disclose that it's heavily skewed. Younger people have far fewer assets, on average, and elderly people have much more. In fact, in the StatsCan publication this spring, the average net worth of elder families is \$650,000. That's net after debt. It's an astonishing figure, whereas young people, of course, have far less wealth.

1620

The third point has been documented by Professor Kevin Milligan at UBC and Professor Jack Mintz and others. In Canada, when people retire, we do not have a problem in the bottom two quintiles, meaning the bottom 40% of Canadians measured by income. Their incomes go up—up—in retirement, on average some 25%, because their incomes were very low when they were working. They were often minimum wage type people, and because of the first pillar including guaranteed income supplement, their incomes actually go up in retirement. The documentation is shown, and I was at a conference—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Ian Lee:** One minute left, okay. We do have some people who are not saving enough in the upper two quintiles—not the top quintile, but the second and third quintiles—who are dropping down from \$125,000 or \$150,000 when they retire down to \$40,000 or \$50,000 or \$60,000. But I argue, and we argue, that it's not the role of government to address the problems of the upper middle class in a lack of savings.

The final point, and I'll say it very quickly, why I'm so opposed to the ORPP beyond the fact that we do not need it based on these stats, is that it will be clawed back at 50% from people who are in the bottom quintiles who qualify for GIS. So they'll be paying for years and years in payroll deductions to contribute and then losing a very significant amount in retirement when it's clawed back.

I'll stop there and take questions.

**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Lee. First questions go to the third party. Ms. French.

**Ms. Jennifer K. French:** I appreciate your call, Mr. Lee, and I appreciate your very thorough presentation. That was refreshing. You did say that there is not a savings crisis or a pension crisis in this country.

**Mr. Ian Lee:** Right.

**Ms. Jennifer K. French:** I would ask, then: What do we have if it isn't a crisis? Based on your numbers and your presentation, what do we have, then?

**Mr. Ian Lee:** I'm not sure if I understand. We have 7.5% below the poverty line. I don't dispute that that is a real number. The late Jack Layton recognized that in the 2011 federal election and that we should do something. Professor Mintz, in a position paper only a few months ago, put out a proposal which I strongly agree with that we could eliminate elder poverty in this world by targeting those 7.5% rather than a universal solution where we adopt an ORPP or an enhanced CPP that hits everybody indiscriminately. In other words, we do have a crisis: 7.5% below the poverty line, to be precise.

We should be targeting that through, for example, increasing the GIS and, as Professor Mintz suggested, providing 100% survivor benefits to those people who are below the poverty line. What has happened is they tend to be elder females; in other words, women like my late mother who raised a family in the 1940s and the 1950s. They didn't work outside the home, so they never had their own CPP. When their husband passes away, their income drops very significantly because the survivor benefit drops. Jack Mintz suggested, and I agree, to give them 100% survivor benefits and top up GIS. We can eliminate elder poverty for about \$5 billion a year, rather than creating some Rube Goldberg invention such as the ORPP.

**Ms. Jennifer K. French:** You kind of answered the second question I was going to ask, which was—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Jennifer K. French:** Thank you—when you were referring to the bottom quintiles. I was going to ask you to expand on strategies or what you would counsel the government regarding that. If you want to add anything—

**Mr. Ian Lee:** Well, we have a system, and it's not the same as Europe. It involves three tiers, as everybody knows. I argue actually that there's a fourth tier, which is assets outside of RRSPs and employer pension plans. Of that \$9.5 trillion, only about \$2.5 trillion are actually in pension plans. In this debate, those advocating an increase in ORPP, for example, are completely ignoring the \$7 trillion that we hold as assets, which are savings—assets equal savings. That money can be used and drawn down in our retirement as many Canadians do, but we are ignoring the role of that savings. So what I'm arguing is right now, between the OAS, the GIF and the CPP—

**The Chair (Mr. Peter Tabuns):** I'm afraid your time is up with the third party. We go to the government for questions: Madame Lalonde.

**Mrs. Marie-France Lalonde:** Thank you very much, Professor Lee. I really appreciate you calling us today. I certainly hope that you will pursue the idea with our federal government regarding survivor benefits and continue your great advocacy on the issue.

I think it was raised by my counterpart here in committee, but you mentioned that you believe Ontarians are saving enough for retirement. When I look at all the studies—and you have brought many numbers to us today, but I'm going to share with you some of the latest numbers that were presented to us here—RBC found that 30% of Canadians have not put anything away for retirement yet. Sun Life found that 60% of respondents now expect to work past 65, and that's up from 48% in 2008. CIBC found that 54% of Canadians say they are not making any contribution to their RRSPs for this taxation year.

Having said those numbers to you, Professor Lee, how would Ontarians benefit from a predictable stream of income in retirement?

**Mr. Ian Lee:** I'm in those categories you just quoted. I do not put any money into RRSPs. I'm one of those bad people who don't do that, because I don't need to. I have very substantial equity in my house. Some 69% of Canadians own their own home—StatsCan data—and 51% are mortgage-debt-free; the median age is 62 years. So as we move towards our senior years—

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Ian Lee:** —pay it off over time, we have more and more equity there.

**Mrs. Marie-France Lalonde:** But Professor Lee, would you say this is the generation of today? If you look at our 25-year-olds, who will benefit from our proposed plan, wouldn't you say that this is why we have to do this? Ultimately, they change jobs often and they don't contribute to their RRSPs. So we're going to be helping future generations of Ontarians to have what you're describing to us, which currently some of our seniors or some of the people of Ontario benefit from. I think 7% of Ontarians only have what you're referring to.

**Mr. Ian Lee:** What I'm worried about—and I'm a former mortgage manager. Years ago in Ottawa, we were doing about a hundred deals a month. Many, many

ordinary Canadians understand that they have a trade-off to make between saving for a pension versus buying a house. They self-consciously make the decision to put more into the house because it's the only asset in Canada that is tax-free—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say that your time is up in this answer.

**Mr. Ian Lee:** So that's the decision they make rather than saving, and that's the decision I make—

**The Chair (Mr. Peter Tabuns):** Mr. Lee, I'm afraid your time is up with the government. We go to the official opposition for their questions. Ms. Munro.

**Mrs. Julia Munro:** Thank you very much for making yourself available today. I really appreciate it.

The first time I heard about your position on this was from one of my caucus colleagues who was on the committee that you presented at. I believe it was there that I first heard about your work in terms of assessing the potential clawback that would simply undo the concept of providing people with a provincial pension plan. It seemed to me that this demonstrates the lack of analysis and understanding of the process; that, in fact, what the government is proposing to do would do more harm than good. For that, I certainly appreciate your analysis today.

**Mr. Ian Lee:** Thank you.

**The Chair (Mr. Peter Tabuns):** Ms. Martow.

**Mrs. Gila Martow:** I would ask you—and we've been asking a few people, because we were wondering what the government's premise is for bringing out this pension plan. What we're hearing from some of the experts is that they see it as being a possible slush fund to invest in infrastructure. What are your thoughts on that?

**Mr. Ian Lee:** I was at the University of Calgary, which had a conference on aging and pensions in Canada last Friday, in Ottawa, at the Chateau Laurier. I was there for all the papers. This came up frequently in the various sessions. I know there were a good number of people in the room who were speculating—I don't want to suggest it was proven; it wasn't—that the real reason was because the government knows that there's a clawback on GIS. It's not a secret. It's well-known; it's at the website—but that the reason is to generate a pool of capital—

**The Chair (Mr. Peter Tabuns):** There's one minute left.

1630

**Mr. Ian Lee:** —that can be used to finance infrastructure. This is the one I've been hearing. I certainly lean to that as a theory to explain the support for the ORPP by the government.

**Mrs. Gila Martow:** Yes, it's a bit of smoke and mirrors and kind of robbing Peter to pay Paul.

**Mr. Ian Lee:** But the most important thing to remember is that in the bottom two quintiles, their income goes up 25% in retirement. So why are we doing this?

**Mrs. Gila Martow:** Thank you very much. My question exactly.

**The Chair (Mr. Peter Tabuns):** Thank you very much, Mr. Lee. We appreciate your contribution today.

**Mr. Ian Lee:** Thank you.



PROGRESSIVE CONTRACTORS  
ASSOCIATION OF CANADA

**The Chair (Mr. Peter Tabuns):** Our next presenters are the Progressive Contractors Association of Canada. Colleagues, I just want to let you know that Unifor Local 444 has cancelled, so this will be our last presentation. That's why the shift in order.

As you know, you have five minutes to present. There will be nine minutes of questions. I'll let you know when you're running out of time. If you'd just introduce yourself for Hansard. Thank you.

**Mr. Sean Reid:** Sure. Thank you, Mr. Chair and members of the committee, for the opportunity to be here today. My name is Sean Reid. I am vice-president federal in Ontario for the Progressive Contractors Association of Canada, or PCA. PCA is the voice of progressive unionized employers in Canada's construction industry.

The member companies of PCA employ more than 25,000 skilled construction workers across Canada, including 2,500 in Ontario and growing. Our employees are represented primarily by the CLAC. PCA's member companies are committed to supporting our workers during their careers and in their retirement. To that end, PCA is aligned with the Ontario government's goal of ensuring that Ontario workers have a means to a secure retirement.

Some 91% of PCA employers participate in the CLAC pension plan, which is a multi-employer, defined contribution registered pension plan. More than 71,000 past and present CLAC members are covered by that plan. PCA member companies participate in the CLAC pensions plan out of a desire to support the security of their employees in retirement. This desire is rooted in a fundamental respect for the dignity of our employees and the work that they do.

Taking steps to support people in retirement is the overarching goal of Bill 56. While this bill is largely an enabling bill, we believe it's important to raise some considerations at this time regarding the design and implementation of the ORPP before final decisions are made.

I'll now call upon PCA's senior manager of public affairs, Karen Renkema, to provide an overview of those considerations.

**Ms. Karen Renkema:** Thank you, and good afternoon. I will review some of our most pressing recommendations in my prepared remarks and would be happy to address other recommendations from our submission in the Q and A period to follow.

First of all, we believe the government should reconsider its proposal to exempt all defined benefit pension plans from participation in the ORPP while not exempting any comparable defined contribution plans that may meet all of the objectives of the ORPP.

Simply put, not all defined contribution plans should be painted with the same brush. There are a variety of DC plans in Ontario with differing characteristics and a range of benefits provided to employees. We believe that close examination of some DC plans, like the CLAC

pension plan, will prove that they are comparable to the ORPP and meet the same objectives when their unique characteristics are considered.

Under the CLAC pension plan, for example, contributions are subject to provincial locking-in rules. This means that pension funds are, by law, inaccessible until retirement. These lock-in rules help ensure employees that their contributions last into their retirement years.

In addition, once members retire, they can choose to move their money into a LIF, life income fund, or a LRIF, life retirement income fund, or purchase an annuity from an insurance company, which provides a predictable stream of retirement income that is paid for life. When combined with the locking-in rules, such options help ensure that our members have a consistent income source throughout their retirement.

By treating all DC plans the same, some observers have noted that government could actually weaken retirement income security for workers if some employers chose to abandon their existing retirement savings pension plans.

Another factor to consider is the reality that there are a number of defined benefit plans that are currently underfunded. As such, not all DB plans may actually prove to be a reliable and predictable source of retirement income themselves. Under the government's current plan, these DB plans would be exempt from the ORPP, although they may not in fact end up providing retirees with the income they expect.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Karen Renkema:** Finally, if defined benefit pension plans are excluded from the ORPP, while other comparable defined contribution pension plans are not, we believe the government would create unnecessary inequities within industries, including our industry, the construction industry.

PCA believes ensuring fairness should be an important consideration as the design and implementation of the ORPP is finalized, and we would encourage the government to avoid any decision that puts some companies at an unnecessary competitive disadvantage.

We hope that our considerations we have brought forward today will help ensure that the province moves forward in a way that truly enhances retirement security for Ontarians.

Thank you.

**The Chair (Mr. Peter Tabuns):** Thank you. Questions go first to the government: Ms. Vernile.

**Ms. Daiene Vernile:** Thank you, Mr. Chair. Can I say—does it seem like it's getting colder and darker in here?

**The Chair (Mr. Peter Tabuns):** Yes.

**Ms. Daiene Vernile:** Can we close the windows and maybe turn up the lights? The lights are okay, I suppose, but can we close the windows?

**The Chair (Mr. Peter Tabuns):** I think it's a question of the drapes, generally.

**Mr. Granville Anderson:** Are you cold?

**Ms. Daiene Vernile:** I'm very cold.

**The Chair (Mr. Peter Tabuns):** If you're cold, we'll close the windows.

**Ms. Daiene Vernile:** I should be having a hot flash right now, but I'm not.

Thank you both very much for coming and sharing your views with us. We do share your point of view that we want fairness and balance moving forward with this plan. I want you to know that I have a very deep appreciation for your industry. I grew up in a construction family. My father had a small construction company, and when I say "small," it was just him. He had a bulldozer with a front-end loader and a backhoe, and this is how he supported our family. But I know that he worried very much about retirement and how we were going to survive afterward. He's now in his eighties, so this obviously is not going to apply to him.

I want to ask you about having a large population of seniors retiring in Ontario who do not have adequate retirement savings. What impact does that have on your industry?

**Mr. Sean Reid:** I guess I'll try and address that with sort of an overriding thought that we've had in this whole process: We can either pay for this now, or we can pay for it later. Basically, if we do not deal with this up front, then the social burden that these retirees will experience down the road will be something that we will ultimately have to pay for anyway, and probably more expensively.

So to the extent that we can invest—and as employers, we're ready to invest in ensuring that that doesn't occur—that's our commitment. That's our focus.

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Ms. Daiene Vernile:** You touched on the CLAC. Can you tell us a little bit more about how that works?

**Ms. Karen Renkema:** On the CLAC pension plan: Our employers are signatory to CLAC, so we represent the contractors, but CLAC is our signatory union. They have a pension plan, and 91% of our employers participate in that pension plan.

On average right now, our employers' contributions by themselves are contributing approximately 7.5% of their income to their employees' retirement, well beyond the suggested 1.9%-plus-1.9% contribution under the ORPP.

Those contributions are locked in. It's a pension plan, so they're locked in. Employees cannot take those contributions out until they retire. When they retire—because it's a pension fund—they only have certain vehicles they can move those funds to. It's not like a group RRSP, where you could probably take out—I don't know; I'm guessing—95% of your funds.

**The Chair (Mr. Peter Tabuns):** I'm afraid your time is up.

**Ms. Daiene Vernile:** Thank you very much.

**The Chair (Mr. Peter Tabuns):** We have to go to the official opposition. Ms. Munro?

**Mrs. Julia Munro:** Yes. Thank you very much for being here today to give us your insights. Am I correct in

understanding that, fundamentally, you're in favour of this piece of legislation?

**Mr. Sean Reid:** Fundamentally, we are in favour of what the legislation is trying to accomplish, but we do have concerns, as we raised, about not treating all defined contribution pension plans—or all defined benefit plans, for that matter—with the same brush. In fact, focusing on the underlying principles that the government is trying to accomplish is actually where the focus should be.

**Mrs. Julia Munro:** I ask the question simply because, as many observers have mentioned, this is framework legislation, so what happens with that is that when it is passed, then it is regulatory, and that's where some of these details would be dealt with. Of course, that's an invite-only private process. It's not like this process, where you have public opinion as part of it.

1640

The question about "comparable" is perhaps one of the most troubling parts of this whole exercise that we're looking at, because we have no idea exactly what "comparable" means. For you in your situation, where you have a defined contribution plan, are you going to be looking at going down in terms of down to 1.9% or are you going to looking at adding 1.9%? Where would you see this process, for you as an industry, taking you, when we have no idea what "comparable" means?

**The Chair (Mr. Peter Tabuns):** One minute left.

**Mr. Sean Reid:** Our sense, as we put it in our submission, is that our plan is actually fairly close to comparable. The concern was that the government has, I think, too finely said only DB plans really qualify.

One of the proposals we put in our submission that we didn't talk to you about in much detail here is an application process whereby plans have the ability to apply to be comparable. For example, our plan, maybe with a couple of minor tweaks, could fit that pretty easily. We're hoping that the government would consider a few reasonable amendments to their plan that would allow for a bigger pool of private, union and other plans to participate. Ultimately, I think that's good for all of us.

**Mrs. Gila Martow:** Well, the question—

**The Chair (Mr. Peter Tabuns):** Thank you.

**Mrs. Gila Martow:** Oh, we're done?

**The Chair (Mr. Peter Tabuns):** Your time is up, I'm afraid.

Ms. French, third party.

**Ms. Jennifer K. French:** Thank you very much for joining us today at Queen's Park. Actually, we had the opportunity last week, on Monday or Tuesday, to hear from representatives from CLAC, so we appreciated their voice as well.

One of the things that has come up in some of the conversations and also with CLAC is that CPP is the first choice—or CPP expansion would be the best-case scenario, but since we can't really make those decisions here, here we sit.

As you said, not all plans should be painted with the same brush. You had also mentioned that the ORPP would put some companies at a disadvantage. Could you



see a way if any plans were not to be exempt or could be—what am I trying to say? If there were no exemptions, would that make a difference in terms of that disadvantage?

**Mr. Sean Reid:** Well, I think that opens up a different set of issues. Our point is that there are excellent pension plans that are actually defined contribution pension plans which meet the criteria that the government has laid out as its fundamental guiding principles in this.

We think if you provide a variety of options, that's the best. We're pro-competition. We're pro-variety of things. We think that's the best method to do that, rather than looking at one particular option as the only vehicle in any of these situations.

**Ms. Jennifer K. French:** Okay. But to my question, if there were no exemptions and all plans were—if it was universal, for example, would that make a difference to that competitive disadvantage?

**The Chair (Mr. Peter Tabuns):** You have one minute left.

**Mr. Sean Reid:** Well, I think you would open up the problem of a whole bunch of employers and employees abandoning what are very good plans. We happen to think the CLAC pension plan is excellent and, frankly,

better than a lot of defined benefit plans and maybe has things that will be better than the ORPP. Why not allow for innovation within the system by allowing for varieties of good plans, including the ORPP but also other plans, to be in the marketplace?

**Ms. Jennifer K. French:** You had said that with perhaps a few minor tweaks, yours could be considered comparable. Do you think that perhaps other DC plans, rather than disappearing, might also make some minor tweaks?

**Ms. Karen Renkema:** I think we have to recognize there is a very large difference between DC plans and DC pension plans. The regulation around defined contribution pension plans—they're more highly regulated around locked-in funds, about how you transfer those funds after retirement, both federally and provincially. There are regulations around that—

**The Chair (Mr. Peter Tabuns):** I'm sorry to say you've run out of time. Thank you very much for your presentation today.

Members of the committee, we have heard all our presenters for today. The committee stands adjourned until 4 p.m. tomorrow, March 31, 2015.

*The committee adjourned at 1645.*

## **STANDING COMMITTEE ON SOCIAL POLICY**

### **Chair / Président**

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Vice-Chair / Vice-Président**

Mr. Jagmeet Singh (Bramalea–Gore–Malton ND)

Mr. Granville Anderson (Durham L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Ms. Christine Elliott (Whitby–Oshawa PC)

Mrs. Marie-France Lalonde (Ottawa–Orléans L)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mrs. Gila Martow (Thornhill PC)

Mrs. Kathryn McGarry (Cambridge L)

Mr. Jagmeet Singh (Bramalea–Gore–Malton ND)

Mr. Peter Tabuns (Toronto–Danforth ND)

### **Substitutions / Membres remplaçants**

Ms. Jennifer K. French (Oshawa ND)

Mrs. Julia Munro (York–Simcoe PC)

Ms. Daiene Vernile (Kitchener Centre / Kitchener-Centre L)

### **Clerk / Greffière**

Ms. Valerie Quioc Lim

### **Staff / Personnel**

Ms. Susan Viets, research officer,  
Research Services



## CONTENTS

Monday 30 March 2015

Ontario Retirement Pension Plan Act, 2015, Bill 56, Ms. Hunter / Loi de 2015 sur le Régime de retraite de la province de l'Ontario, projet de loi 56, Mme Hunter.....	SP-251
CUPE Ontario .....	SP-251
Mr. Fred Hahn .....	
Advocis .....	SP-253
Mr. Greg Pollock .....	
Mr. Paul Greene .....	
Colleges of Applied Arts and Technology Pension Plan .....	SP-256
Mr. Derek Dobson .....	
Canadian Federation of Independent Grocers .....	SP-258
Mr. Gary Sands .....	
Ms. Christy McMullen .....	
National Association of Federal Retirees .....	SP-260
Ms. Rosemary Pitfield .....	
Ontario Federation of Agriculture .....	SP-262
Mr. Don McCabe .....	
Canadian Taxpayers Federation .....	SP-264
Ms. Christine Van Geyn .....	
Labour Issues Coordinating Committee .....	SP-267
Mr. Ken Linington .....	
Mr. Richard Pieprzak .....	SP-269
Mr. Alex Bertola .....	SP-271
Mr. Ian Lee .....	SP-273
Progressive Contractors Association of Canada .....	SP-276
Mr. Sean Reid .....	
Ms. Karen Renkema .....	













3 1761 11467527 5